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DEVELOPMENTS IN THE MIDDLE EAST, JULY 1982

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COMPLETED

HEARING

BEFORE THE

SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST

OF THE

COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES

NINETY-SEVENTH CONGRESS

SECOND SESSION

JULY 28, 1982

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CONTENTS

WITNESSES

	Page
Hon. Nicholas A. Veliotes, Assistant Secretary, Bureau of Near Eastern and South Asian Affairs, Department of State	6
Hon. Charles Wilson, a Representative in Congress from the State of Texas	12

MATERIAL SUBMITTED FOR THE RECORD

Statement of Hon. John Conyers, Jr., a Representative in Congress from the State of Michigan	2
Number of Palestinians living in Lebanon, submitted by the Department of State	37
Estimates on civilian casualties, killed, wounded, and displaced, submitted by the Department of State	37

APPENDIXES

1. Biographies of witnesses:	
Hon. Nicholas A. Veliotes	39
Hon. Charles Wilson	39
2. September 17, 1982, letter to Secretary of State Alexander M. Haig from Representatives Hamilton and Findley on the Fahd 8-point peace plan and June 10, 1982, response from the State Department	40

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DEVELOPMENTS IN THE MIDDLE EAST, JULY 1982

WEDNESDAY, JULY 28, 1982

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST,
Washington, D.C.

The subcommittee met, at 10:20 a.m., in room 2200, Rayburn House Office Building, Hon. Lee H. Hamilton (chairman of the subcommittee) presiding.

Mr. HAMILTON. The subcommittee will come to order.

The Subcommittee on Europe and the Middle East today continues its monthly hearings on recent developments in the Middle East. The subcommittee last held such a hearing on May 26, 1982, and focused in that hearing on the West Bank and Gaza. We hope to have other such hearings in August prior to the congressional district work period which starts August 20 and then again in September.

While the hearing today may focus primarily on the crisis in Lebanon and its ramifications for broader U.S. interests and policies in the Middle East, other issues will be discussed.

We are happy to have with us today Nicholas Veliotes. I understand Congressman Charles Wilson of Texas will be testifying at a later point in the hearing. When he comes into the room, Mr. Secretary, I will interrupt the proceeding and we will hear from him for a few minutes.

Congressman John Conyers also asked to appear today but due to a markup session in another committee, he has asked his statement be entered into the record in full.

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STATEMENT OF HON. JOHN CONYERS, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

WE HAVE A MORAL AND POLITICAL RESPONSIBILITY TO ADDRESS THE CRISIS IN LEBANON

MR. CHAIRMAN, I WANT TO EXPRESS MY APPRECIATION AT BEING GIVEN THE OPPORTUNITY TO TESTIFY BEFORE THIS SUBCOMMITTEE ON ONE OF THE MOST PRESSING PROBLEMS FACING THE COMMUNITY OF NATIONS - THE CRISIS IN LEBANON IN PARTICULAR AND THE CONFLICT IN THE MIDDLE-EAST IN GENERAL. I HAVE GIVEN CONSIDERED ATTENTION TO THESE ISSUES AND WANT TO BRING TO THE ATTENTION OF THIS COMMITTEE AND MY COLLEAGUES IN THE CONGRESS SOME OF MY CONCERNS.

I WANT TO BRING TO THE ATTENTION OF MY COLLEAGUES IN THE CONGRESS THE STRANGE ABSENCE OF COMMENT AND ACTION WITH REFERENCE TO THE CRISIS IN THE MIDDLE-EAST IN GENERAL AND TO LEBANON IN PARTICULAR. IF ONE WERE USING THE ACTIONS OF, AND WORDS SPOKEN BY, THIS CONGRESS TO JUDGE WHETHER THERE IS A CRISIS IN THAT PART OF THE WORLD, IT WOULD BE CLEAR THAT THERE IS NO CRISIS, AND I SUPPOSE THAT SOME AMONG US WOULD RATHER JUST ASSUME THAT THERE IS NO CRISIS. BUT LET ME TELL YOU, MR. SPEAKER, THERE IS A CRISIS AND THOUSANDS OF PEOPLE HAVE BEEN KILLED AND MANY MORE ARE HOMELESS AND WOUNDED. IT IS NOW MY CONSIDERED OPINION THAT THE SITUATION IN LEBANON, BEIRUT IN PARTICULAR, IS AS SERIOUS AS ANY THE FAMILY OF NATIONS HAS FACED IN THIS CENTURY. AS WITH THE OTHER CRISIS WE HAVE FACED AS A NATION AND INTERNATIONAL COMMUNITY, THIS ONE WILL NOT GO AWAY. IT REQUIRES A RATIONAL SOLUTION THAT DOES JUSTICE TO THE PARTICIPANTS IN THE CONFLICT. WHATEVER SOLUTION WE ASSIST IN DEVELOPING MUST BE FRAMED IN THE CONTEXT OF A STRONG OPPOSITION TO INVASION AND DENIAL OF HUMANITY IN THAT PART OF THE WORLD. THIS CAN BE DONE BY SIMPLY COSIGNING THE RESOLUTION BEFORE THE HOUSE, H.R. 359, WHICH CALLS ON THE NATION OF ISRAEL TO WITHDRAW ITS INVASION FORCE FROM LEBANON AND DEMANDS RESPECT FOR THE INTEGRITY OF THE SOVEREIGN STATE OF LEBANON. THIS SHOULD NOT BE TOO DIFFICULT FOR ANYONE WHO PROFESSES TO BE CONCERNED ABOUT BALANCE AND JUSTICE IN THE WORLD. IF THE CONGRESS DOES NOT GO ON RECORD AS OPPOSING THE TYPE OF INVASION THAT HAS TAKEN PLACE IN LEBANON, THERE WILL BE, AS THERE PROBABLY HAS ALREADY BEEN, STRONG CONDEMNATION OF THE UNITED STATES BY THE REST OF THE FAMILY OF NATIONS.

IT DOES NOT TAKE A STRONG INTELLECT TO UNDERSTAND THAT THERE ARE SEVERAL REALITIES IN THAT PART OF THE WORLD THAT THE UNITED STATES MUST FACE.

IN MY VIEW THEY ARE:

A. ISRAEL CAN NOT BE THE POLICEMAN OF THE AREA. SECURITY FOR THE AREA MUST EMERGE FROM THE MUTUAL RESPECT OF EACH NATION FOR THE OTHER. THIS WILL COME WITH POLITICAL DEMOCRACY IN THE REGION AND ECONOMIC DEVELOPMENT BEING

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INSTITUTED IN THE CONTEXT OF A SAFE AND VIABLE HOMELAND FOR ALL THE PEOPLE IN THE REGION.

B. THE SHIPMENT OF WEAPONS OF DEATH IS NOT A USEFUL PART OF ANY SOLUTION TO THE PROBLEM IN THE REGION. SUCH SHIPMENTS WILL ONLY CONTINUE TO DESTABILIZE THE REGION.

C. THERE MUST BE A HOMELAND FOR THE PALESTINIAN PEOPLE THAT EVIDENCES PROPER RESPECT FOR THEIR HISTORY, CULTURE, RELIGION AND NEEDS FOR ECONOMIC AND POLITICAL DEVELOPMENT.

D. THE UNITED STATES MUST TAKE A MORE RATIONAL APPROACH TO THE PROBLEMS IN THE AREA. THIS DOES NOT MEAN TAKING SIDES. IT MEANS TAKING THE SIDE OF WHAT IS CORRECT AND JUST. IT DOES NOT, THEREFORE, REQUIRE THAT WE BE PRO-ISRAEL OR PRO-ARAB. WE MUST BE PRO WHAT IS IN THE BEST INTEREST OF THE UNITED STATES AND THE LARGER COMMUNITY OF PEOPLE IN THE REGION. I AM ALSO CONVINCED THAT THE UNITED STATES HAS THE RESPONSIBILITY TO LOOK BEYOND THE IMMEDIATE DEVELOPMENTS THAT ARE TAKING PLACE IN THE MIDDLE-EAST AND UNDERSTAND THAT THERE ARE POSSIBLE WORLD CONSEQUENCES. ALL OUR ACTIONS MUST BE TAKEN WITH THIS IN MIND.

THE IDEA OF SENDING U.S. TROOPS TO THE AREA AS PART OF A BILATERAL FORCE SHOULD BE REJECTED. THIS IS A PROBLEM THAT THE INTERNATIONAL COMMUNITY MUST DEAL WITH. ANY SUCH FORCE SHOULD BE ORGANIZED BY THE UNITED NATIONS AND MADE UP OF TROOPS FROM ALL MEMBER NATIONS THAT WILL AGREE TO SEND THEM.

E. I FIND IT STRANGE THAT SO MANY PEOPLE ARE TALKING ABOUT FREEZING NUCLEAR WEAPONS AND STOPPING THE SPREAD OF ARMS ACROSS THE WORLD. ALL OF THESE CONCERNS, I WOULD ASSUME, ARE DIRECTED AT PREVENTING THE DESTRUCTION OF HUMAN LIFE ON THIS EARTH. HOW CAN WE TAKE THESE EXPRESSIONS SERIOUSLY, HOWEVER, WHEN THESE SAME PEOPLE MAKE NO STATEMENTS AND HAVE NO POSITION ON THE DESTRUCTION OF LIFE NOW. THEIR CONCERN IS SEEMINGLY ONLY WITH SUCH DESTRUCTION AT SOME PROJECTED FUTURE DATE. THERE IS SOMETHING VERY CONTRADICTORY ABOUT SUCH A STANCE.

F. WE SHOULD SEE THAT THE UNITED STATES IS BECOMING PROGRESSIVELY IMMORAL AND INSENSITIVE TO THE REAL CONCERNS OF THE INTERNATIONAL COMMUNITY, ESPECIALLY THOSE OF THE DEVELOPING WORLD. THERE IS NO WAY FOR THIS BODY TO SEPARATE THIS FACT FROM ITS NON-RESPONSE TO THE SITUATION IN THE MIDDLE-EAST. NOTICE THE FOLLOWING:

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** WE HAVE SUPPORTED MILITARY DICTATORSHIPS IN LATING AMERICA. (EL SALVADOR, ETC.)

** WE ARE CLOSER TO THE NATION OF SOUTH AFRICA THAN WE HAVE EVER BEEN. THIS FACT SPEAKS FOR ITSELF.

** WE REMAIN THE CHIEF EXPORTER OF WEAPONS TO THE DEVELOPING WORLD THAT IS USING THEM TO FIGHT AND KILL.

** THE THING WE DO MOST FOR THE PEOPLE OF THE MIDDLE-EAST IS SEND THEM WEAPONS. WHO NEEDS THEM? THIS ILLOGIC MUST END.

** THERE ARE THOSE WHO WOULD ARGUE THAT THE LATEST SILENT TREATMENT GIVEN TO THE CRISIS IN LEBANON IS ONLY PART OF A PATTERN OF SILENCE ON QUESTIONS OF JUSTICE AND EQUALITY FOR PEOPLE OF COLOR AND PEOPLE WHO ARE FIGHTING FOR JUSTICE IN THE WORLD. REMEMBER THAT WE ALMOST HAD TO FORCE THE ADMINISTRATION TO ADDRESS THE KILLING OF AMERICAN CITIZENS BY THE BRUTAL REGIME IN EL SALVADOR. ALMOST DAILY THE GOVERNMENT OF SOUTH AFRICA IS KILLING UNION ORGANIZERS AND MEMBERS WHO ONLY WANT TO DO WHAT WE IN THIS COUNTRY TAKE FOR GRANTED, ORGANIZE FOR BETTER WORKING CONDITIONS AND COMPENSATION.

I HAVE MADE THE POINT A NUMBER OF TIMES THAT THE CONGRESS CAN NOT CLAIMED TO BE CONCERNED ABOUT THE ADMINISTRATION'S CUTTING OF RESOURCES FOR DOMESTIC PROGRAMS WHICH CAUSES SUFFERING AND DEATH AND AT THE SAME TIME SUPPORT THE ADMINISTRATION IN ITS PROGRAM OF DESTRUCTION AND DENIAL IN THE MIDDLE-EAST. WE MUST BE CONSISTENT ON IMPORTANT QUESTIONS LIKE THESE. IT WOULD BE EASY FOR ME TO TAKE THE FEW SOCIAL PROGRAMS AND THE VOTING RIGHTS ACT AND GO HOME TO MY PEOPLE AND SAY THAT ALL IS WELL IN THE CONGRESS, I HAVE DONE MY JOB. NO! THIS NOT ENOUGH. THERE MUST BE A MORE COMPREHENSIVE APPROACH AND UNDERSTANDING OF THE CRISIS THAT CONFRONTS US. I MUST DEMAND THAT THE CONGRESS TAKE ITS RIGHTFUL ROLE AND RESPONSIBILITY IN THE DEVELOPMENT AND IMPLEMENTATION OF THIS NATION'S FOREIGN POLICY. WE MUST KNOW THAT THE ARMS WE SHIP ARE NOT BEING USED IN AN OFFENSIVE WAY TO DESTROY INNOCENT LIVES AND TO UNNECESSARILY DESTROY PROPERTY. NOBODY BUT THE UNITED STATES CONGRESS HAS THAT RESPONSIBILITY.

IT IS STRANGE THAT THE UNITED STATES CONGRESS IS NOT SPEAKING ON THIS SERIOUS CRISIS IN LEBANON WHEN THOUSANDS OF PEOPLE ARE MARCHING THE IN THE STREETS AGAINST THE ACTIONS OF THE BEGIN GOVERNMENT AND THE ARAB COUNTRIES ARE ASKING THAT THE UNITED STATES TAKE A MORE REASONED APPROACH TO THE SITUATION. ALSO, AN INCREASING NUMBER OF AMERICANS ARE DEMANDING THAT THE UNITED STATES STOP SUPPORTING THE BEGIN INVASION AGAINST THE LEBANESE AND PALESTINIAN PEOPLE. IT IS NOT SUFFICIENT FOR THE CONGRESS TO SAY THAT THE UNITED NATIONS HAS TAKEN A POSITION AGAINST THE INVASION WITH THE PASSAGE OF U.N. RESOLUTION 509. WE ALL KNOW TOO WELL THE HISTORY OF U.N. RESOLUTIONS ON THE

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MIDDLE-EAST. THEY HAVE NOT BEEN ADHERED TO AND THE UNITED STATES HAS DONE LITTLE TO CONTRIBUTE TO THE SUCCESSFUL IMPLEMENTATION OF THEM. NO, WE HAVE A MORAL RESPONSIBILITY OURSELVES TO SEE THAT THE CRISIS IN LEBANON IS RESOLVED IN FAVOR OF WHAT IS IN THE BEST INTEREST OF THE STATES AND PEOPLE IN THE AREA.

ONE OF THE THINGS THAT IS BECOMING CLEAR TO THE AMERICAN PEOPLE, ESPECIALLY AS THEY SEE THE DESTRUCTION NIGHTLY ON THEIR TELEVISIONS, IS THE FACT THAT THERE MUST BE A STATE FOR THE PALESTINIAN PEOPLE. THIS WE MUST FACE UP TO WITH ALL THE RESOLVE REQUIRED. HOW CAN WE BE SO CONCERNED ABOUT THE SECURITY OF THE NATION OF ISRAEL WHEN THE PALESTINIANS HAVE NO HOMELAND. HOW CAN WE DEFEND THE OCCUPATION OF THE WEST BANK AND GAZA STRIP AS WELL AS THE GOLAN HEIGHTS WHEN THERE IS NO HOME FOR THE MILLIONS OF PALESTINIANS THAT WILL NOT JUST GO AWAY. BEGIN'S SOLUTION OF BOMBING THEM INTO SUBMISSION IS NOT THE ANSWER. YOU SHOULD REMEMBER THAT THE UNITED STATES TRIED THAT IN VIETNAM AND IT DID NOT WORK, LARGELY BECAUSE IT WAS NOT SUPPORTED BY THE MAJORITY OF PEOPLE IN THIS COUNTRY AND IN VIETNAM. IT WILL NOT WORK IN THE MIDDLE-EAST FOR THE SAME REASONS; THE POEPLE OF ISRAEL DO NOT SUPPORT IT, THE AMERICAN PEOPLE DO NOT SUPPORT IT AND THE PEOPLE OF THE MIDDLE-EASTERN NATIONS DO NOT SUPPORT IT.

I HOPE MY COLLEAGUES WILL COME TO THEIR COLLECTIVE SENSES AND RECOGNIZE THE OPPORTUNITY THEY ARE MISSING IN NOT SPEAKING OUT ON THIS CRISIS. BY NOT SPEAKING OUT WE GIVE AWAY ALL CLAIM TO BEING ONE OF THE MORAL LEADERS OF THE WORLD.

MR. CHAIRMAN, AGAIN, I WOULD LIKE TO THANK THE SUBCOMMITTEE FOR GIVING ME THIS OPPORTUNITY TO COMMENT ON MY CONCERNS ABOUT DEVELOPMENTS IN THE MIDDLE-EAST AND THE ROLE OUR COUNTRY IS PLAYING IN SHAPING THOSE DEVELOPMENTS. I FEEL CONFIDENT THAT THIS COMMITTEE WILL SEARCH-OUT THE ISSUES INVOLVED IN THIS CRISIS AND RECOMMEND TO THE CONGRESS APPROPRIATE ACTION THAT WILL RESULT IN A PEACFUL RESOLUTION OF THE CRISIS.

JOHN CONYERS, JR.
MEMBER OF Congress
August 20, 1982

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Mr. HAMILTON. At this time we will proceed with your opening comments, Mr. Secretary; I understand you do not have a prepared statement. You may have some introductory remarks; and if you do, we would be pleased to hear them at this time.

STATEMENT OF HON. NICHOLAS A. VELIOTES, ASSISTANT SECRETARY OF STATE FOR NEAR EASTERN AND SOUTH ASIAN AFFAIRS, DEPARTMENT OF STATE

Mr. VELIOTES. Thank you, Mr. Chairman.

In keeping with the spirit of these hearings, which is to give the members the maximum opportunity to participate, I do not have a prepared statement. I will make a few comments specifically relating to Lebanon.

Ambassador Habib continues on his mission. He has just finished visits to Damascus, Saudi Arabia, and Cairo; he conferred with King Hussein in London; he has now just finished discussions in Jerusalem. He is on his way back to Beirut.

We continue to put our top priority on the need for a peaceful negotiated resolution of the West Beirut problem as the essential first step in moving to resolve the situation throughout Lebanon.

I will be happy to answer questions on this or any issue.

ISRAELI USE OF CLUSTER BOMB UNITS

Mr. HAMILTON. Mr. Secretary, the Department of State on Monday sent a classified report to the Congress on the Israeli use of cluster bomb units in its invasion of Lebanon. Could you tell us why that report is classified?

Mr. VELIOTES. Mr. Chairman, the decisions on these matters on reports to Congress have been made in close consultation with Ambassador Habib, and we reached the collective judgment that it was best to keep these letters classified in the interests of his own mission.

Mr. HAMILTON. Why can't the Department provide the committee a copy of the Israeli reply to our inquiry about the use of the CBU's in Lebanon? It was initially leaked by the Israelis. Why can't we have a copy of that on a classified basis?

Mr. VELIOTES. Mr. Chairman, I will have to take that and find out. I wasn't aware of the fact, frankly, that you did not have it from us, although I was aware of the fact that it had been made available.

Mr. HAMILTON. Do you consider the letter which was signed by the acting secretary, Mr. Stoessel, dated July 26 and addressed to the Speaker on the CBU subject, to be the final word on the matter? Is the issue still under review?

Mr. VELIOTES. Mr. Chairman, the issue is not under review. The decision has been made. The letter itself is classified in part because it refers to intelligence reports or information that is from intelligence reports. I would not expect that this would be an ongoing issue. I think the letter pretty much settled this issue, at least for the foreseeable future.

U.S. SUSPENSION OF DELIVERY OF CBU SHELLS

Mr. HAMILTON. The paper announced today that the United States is suspending the delivery of the CBU shells. For how long is that suspension?

Mr. VELIOTES. I don't believe there has been any time limit put on it, sir.

Mr. HAMILTON. Are we to construe that then as a permanent suspension?

Mr. VELIOTES. I really cannot answer that. I would believe that it would certainly be long term, if not permanent.

Mr. HAMILTON. Can you assure the Congress that there will be a determination that our bilateral agreements on the use of CBU's have not been violated before this shipment?

Mr. VELIOTES. I am sorry, sir, would you repeat that? Before what shipment? The shipments are suspended.

Mr. HAMILTON. Can you assure us that there will be a determination that the bilateral agreement on the use of the CBU's has not been violated?

Mr. VELIOTES. If we decide to ship them, is that what you mean?

Mr. HAMILTON. Right.

Mr. VELIOTES. Yes.

Mr. HAMILTON. Did Israel or did not Israel violate the terms of the classified agreement relating to CBU's?

Mr. VELIOTES. Mr. Chairman, the decision to suspend was not based on a legal determination but on a policy decision. This is not a distinction without a difference. The President does have authority under the Arms Export Control Act to take such actions if he believes it is in our foreign policy interests; and it was essentially on this basis that the decision was made.

Mr. HAMILTON. Does that mean a violation occurred?

Mr. VELIOTES. To the best of my knowledge that determination specifically has not been made.

Mr. HAMILTON. At this point then, you are simply expressing, through your action to suspend the delivery of the CBU's, your deep concern about the possible violation of the agreement; is that correct?

Mr. VELIOTES. Yes, sir, I believe that is correct.

STATUS OF LEBANON NEGOTIATIONS

Mr. HAMILTON. What can you tell us about the status of the negotiations to get the PLO fighters out of West Beirut? One report is that Mr. Habib told the Israelis that he can get a PLO agreement to evacuate Beirut within 2 days; is that an accurate report?

Mr. VELIOTES. Mr. Chairman, without commenting on the details of Ambassador Habib's discussions in Jerusalem, or anywhere else, we are not operating under deadlines; we can't. I don't believe the Israeli Government is pressing us in this respect. I have seen the press reports. Obviously we all believe that the situation must be resolved as soon as possible. If that is in 48 hours, so much the better.

Mr. HAMILTON. What is happening right now? What is our proposal? Can you lay out the position of the parties in general terms for us?

Mr. VELIOTES. It all starts with the position of the Government of Lebanon, because the U.S. Government, through Ambassador Habib, is supporting Lebanon Government positions. On this particular issue, the Government of Lebanon has requested formally—in a document tabled at an Arab League conference—the end of the armed Palestinian presence in Lebanon, as well as the withdrawal of all foreign forces.

The West Beirut problem is directly linked to this; indeed, it is the essential first step to unlock the rest of the process which is required if Lebanon is going to have a chance to reconstruct itself in the future.

The problem is when, how, and, frankly, where. The question of "if" I think has already been settled. The Lebanese asked, and the PLO responded, in writing, that they were prepared to leave. What we have been working on, what Habib has been working on, is the modalities which are not easy to bring this about.

EVACUATION OF PLO

Mr. HAMILTON. The PLO is prepared to leave totally from Beirut?

Mr. VELIOTES. We have been talking about two categories: The leadership, and that may encompass offices and perhaps some families; and fighters, who could number up to 8,000. I don't believe anyone has the exact figures.

The Syrians have publicly stated they would be prepared to take the noncombatants in the group.

Mr. HAMILTON. I want to be clear: The PLO has agreed to take out all of those forces you just referred to. Is that correct?

Mr. VELIOTES. Yes.

Mr. HAMILTON. The question remains where they go? How they get there?

Mr. VELIOTES. Where they go, how they leave, what route. These are very important issues.

Also, the concern about vulnerability in transit and the concern about the possibility of harm being done to Palestinians left behind in West Beirut. These are the issues; these are the concerns. All of them are important; they are all interrelated.

The last part of this, of course, is intimately related to the President's expressed willingness to contribute to a multinational force for a fixed period of time to help monitor the withdrawal from Beirut.

Now, Ambassador Habib's latest tour has been to try to firm up destinations. He has had some considerable success in that respect. I won't go into the details.

Mr. HAMILTON. When would you expect an agreement on the evacuation question?

Mr. VELIOTES. Well, this is awfully hard to be precise about. I would not venture a date, but I would speculate myself that Ambassador Habib would have to make another trip around some time next week.

Mr. HAMILTON. Another trip around, meaning another trip around to the capitals?

Mr. VELIOTES. To the capitals. This is part of a process that Ambassador Habib is the center of, indeed the driving engine of, but you have an Arab League component. You will recall we had two foreign ministers here last week representing the Arab League who had come to discuss Lebanon. We also discussed these issues with them.

Mr. HAMILTON. Have the Israelis agreed to permit Mr. Habib sufficient time to make another trip around?

Mr. VELIOTES. I think to the extent the Israelis believe there is real progress toward the objective that Ambassador Habib will have the time he needs.

ISRAELI POLICY IN LEBANON

Mr. HAMILTON. One other question before I turn to Mr. Findley. The Israeli policy at the moment appears to be one of static fire, and the shelling has picked up in the last few days in West Beirut. Is that the new policy? What do we think about it? What are we saying to the Israelis about it?

Mr. VELIOTES. I have seen the phrase. I am not sure what it means. It may mean a cease-fire in place on a reciprocal basis. There have been breakdowns of that cease-fire; too many breakdowns. We believe that the process of trying to get the Palestinians out of West Beirut in an honorable manner, if you will, as a result of political negotiations is not advanced by heavy fighting.

Having said that, it is very difficult for anyone to say categorically who is responsible for this or that breakdown. Our position is that it shouldn't happen. If it does happen, it should stop, and the cease-fire should be put back into place.

Ambassador Habib has worked on this in his discussions in Israel and will pursue these back in Beirut.

Mr. HAMILTON. Is it our judgment that the Israeli responses are proportionate to the kind of firing they are facing?

Mr. VELIOTES. This is difficult to say. Clearly at times we would say no, it is not; but there are different kinds of exchanges.

Mr. HAMILTON. Our policy is to support a firm cease-fire on both sides?

Mr. VELIOTES. Yes, sir.

Mr. HAMILTON. Mr. Findley?

FRENCH AND EGYPTIAN-SPONSORED U.N. RESOLUTION

Mr. FINDLEY. Mr. Secretary, the French and Egyptians have placed before the United Nations a resolution dealing with the Middle East. It would be a combination of U.N. Resolution 242, include the acceptance of the right of Israel to exist and also the acceptance of Palestinian rights.

What is the view of our Government toward that resolution?

Mr. VELIOTES. Well, this is being discussed in New York, Mr. Findley, in confidential discussions led by Ambassador Kirkpatrick, so, rather than address that specific resolution, I would prefer to discuss this issue in general terms, if you will.

U.S POLICY TOWARD THE PLO

Mr. FINDLEY. Let me put it this way: One of the problems in untangling this mess in the Middle East is the attitude of the United States on direct talks with the PLO. This subcommittee has had on its record for some time an interpretation supplied by your predecessor, Mr. Saunders, under which the agreement made by Secretary Kissinger in connection with the Sinai II accords would preclude formal negotiation, formal recognition, of the PLO but clearly would not preclude informal, direct discussions.

Is that still the view of the U.S. administration?

Mr. VELIOTES. Our view generally has been that our conditions cover all kinds of substantive policy discussions.

As you know, we have had security contacts and administrative contacts. There was a time when we decided to discuss with them possibilities of their getting some hostages out of Iran for us.

Mr. FINDLEY. That was almost a daily occurrence, communication with the PLO at that time.

Mr. VELIOTES. I am not familiar with that period. I wasn't here but obviously there was communication.

Mr. FINDLEY. How about the Saunders view? Does that still express the view of this administration?

Mr. VELIOTES. Excuse me, sir. I am not familiar with the Saunders view.

Mr. FINDLEY. It is the one I just outlined that the agreement not to deal with the PLO did not preclude informal, that is, nonofficial, discussions. If you want me to recite the exact words of Saunders before us, I would be glad to.

Mr. VELIOTES. He was my predecessor. I am not aware of any change in policy between the last administration and this administration.

Mr. FINDLEY. Good. I find that reassuring.

Getting back to the——

Mr. VELIOTES. But I want to be careful here.

Mr. FINDLEY. I can understand that.

Mr. VELIOTES. Having said that, generally speaking, the policy is that there should be no policy level discussions of any kind. We have had other discussions for other reasons that had nothing to do with the Middle East peace process.

Mr. FINDLEY. Let me observe, Mr. Secretary, in this circumstance with the United States politically heavily engaged in this raging problem in West Beirut and a primary, if not the primary, element to that problem being the PLO, it just strikes me as absolutely absurd that a nation that has the deep interest it has in the Middle East is unwilling to undertake direct talks in order to accomplish some advance, to avoid further bloodshed or at least try to influence the behavior of the PLO.

FRENCH-EGYPTIAN RESOLUTION

Getting back to the French-Egyptian resolutions, I have learned that the PLO is in support of that language. Would PLO support of that resolution make any difference to the United States?

Mr. VELIOTES. Mr. Findley——

Mr. FINDLEY. Or would you view it as significant?

Mr. VELIOTES. Mr. Findley, I really have to beg off in any specific discussion of that resolution. As I said, Ambassador Kirkpatrick is now discussing our point of view privately in New York. I will offer, however, a personal view that omnibus approaches have not had a history of being particularly successful in solving problems in the Middle East, neither specific problems nor the overall problem of peace between Israel and the Arabs.

I have a certain deep skepticism based on experience in this respect. I would hope that we could get the same kinds of enthusiastic interest in supporting Ambassador Habib's efforts which are essential as we look to the future and as sponsors of this resolution seek to move the area toward peace. I would only hope that such initiatives, if they may not be particularly helpful, would not be harmful.

SUSPENSION OF SHIPMENT OF CBU SHELLS TO ISRAEL

Mr. FINDLEY. Mr. Secretary, I would like to clarify in my mind if I can your response to Chairman Hamilton's query about the suspension of shipments of cluster bomb type equipment to Israel. As I understood your response, it meant that, if and when the U.S. ships to Israel the shipment that is now suspended, that will mean that the United States has found that Israel did not violate its agreements in relationship to the cluster bombs.

Is my understanding correct?

Mr. VELIOTES. I would have to agree that that would be a logical interpretation of such an action.

Mr. FINDLEY. Is that as far as you can go?

Mr. VELIOTES. It is as far as I can go because, first, I have no knowledge of any intention to ship such munitions. The President has decided that they will be suspended. This has been communicated to the Congress. Any additional actions on this subject will be made by the President. Those are his decisions.

There is nothing I can say here today that could or should preempt decisionmaking in that respect.

LINKAGE ON MILITARY FORCES AND SELF-DETERMINATION IN THE WEST BANK

Mr. FINDLEY. Mr. Secretary, has our Government attempted to establish a linkage between the momentous step of sending some military forces to Beirut progress in Mideast peace negotiations and proceeding toward self-determination on the West Bank and Gaza?

Mr. VELIOTES. No, sir, although we well recognize that the pieces of the Middle East puzzle are intimately related. We also are totally convinced that solving the West Beirut problem in a satisfactory manner, in a political manner is essential on its own merits both with respect to hopes for a better Lebanon and how all of this will relate to the future of the peace process.

Mr. FINDLEY. So the decision, which I assume has been made to provide U.S. forces as a part of the multinational group in order to assist in the evacuation and to restore order in Lebanon stands on its own without reference to Israeli willingness to make peace and

cooperate in progress toward self-determination in the West Bank?

Mr. VELIOTES. Yes. If you put it that way, that is true; but for the reasons that I explained; these are for American reasons. We believe that this is very important both with respect to Lebanon and to the future of the peace process.

Now having said that the President in his public comments and the Secretary in his comments before the Senate have made very clear that perhaps the major lessons of Lebanon is the need to move ahead on solving the Palestinian problem.

U.S. TROOPS TO LEBANON

Mr. FINDLEY. Mr. Secretary—I will just make one more brief comment, Mr. Chairman. I am deeply distressed to hear that response. Putting troops ashore on Lebanon is a momentous step, the likes of which this country has not contemplated since the early days of the Vietnam war.

Getting troops ashore and getting them out are two different things. I am sure you would agree with me that once they are there, there will be a strong impulse to leave them there and to give them broader responsibilities. I would view it as one of the great blunders of this decade at least, of the last 25 years, if our President would decide to put military forces ashore in Lebanon without eliciting, as part of the deal, constructive action on the part of Israel to dedicate itself to peace and at last solve the Palestinian problem.

I do not know of a single constituent of mine who is in favor of putting U.S. military forces ashore in Lebanon under present circumstances, and it would take a lot of persuasion on my part to persuade them even that it was worth the price if it were to lead to real peace.

I would also urge that you use whatever influence you have in administration circles to get the President to place the question of putting troops in Lebanon before the Congress for prior approval instead of proceeding as I think he intends to do under the War Powers Act without prior approval.

Thank you, Mr. Chairman.

Mr. HAMILTON. We are very pleased to have with us today Congressman Charles Wilson of Texas.

Congressman Wilson traveled to Israel and from there to Lebanon in June. I think he was one of the first Congressmen to visit that area during the war.

Congressman Wilson, we are very pleased to have you with us. We will interrupt your testimony for just a moment, Mr. Veliotes. I think you will not object to a little recess.

Congressman Wilson may give us his observations.

STATEMENT OF HON. CHARLES WILSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Mr. WILSON. Thank you very much, Mr. Chairman. I will be brief.

My report is not quite as timely as it was earlier because many of our other colleagues have now made the trip. It just happened I

was in Israel on a private trip at the end of June, and I want to report on the 2 days that I spent in Lebanon during this time. One day was spent in the Beaufort Castle area and the other day was spent along the coast and in Beirut.

I was astonished at the welcome, the universal welcome the Lebanese people gave to the Israeli Army. Since then there have been many other reports that substantiate this. So it is no longer so surprising.

I fully expected it in the Christian parts of Beirut but not in the low income Moslem neighborhoods and particularly in the smaller towns of Lebanon. I would not allow my Israeli guides to accompany me in my visits. I would simply walk down the little alleys myself and invariably find someone who could speak English.

The people told of great mistreatment by the PLO, which surprised me to some degree; of requisitioning houses, of abuses of women, of abuses of old people, and expressed a universal relief the Israelis were there and said they hoped the Israelis would not leave until such a time as they could be assured that the PLO and the Syrians would also leave.

This was particularly astonishing in Sidon, where the destruction is enormous as you have all seen on television; where probably between 300 and 400 people lost their lives.

One woman who was clearly anti-Israeli, who did speak English, told me about losing her house and I, of course, said well, we hope our Government can be of some assistance in rebuilding the damage. Then she said well, what are you going to do about my nephew who is 5 years old and was killed? I said there is not much we can do about that. I expressed my sadness to her.

Before I left, though, I asked her—there was a group there. I said given all this, I presume you are sorry that the Israelis came? She said no, anything was better than the PLO. That was a very poignant statement.

The other observations I have are small, but meaningful. For instance, one of the people in my car the second day was obviously an Israeli. It was an Israeli-marked car. He became ill from the bumpy ride and the dust and was ill on the side of the road. In the car ahead of us was an old Arab who looked like he was 150, got out and took the guy a damp rag. People don't do that to welcome invading armies.

Secondly, I observed that this was the only war in history in which the refugees were all streaming south. They were caught in traffic jams. They were coming from Beirut and north of Beirut.

The traffic jams gave me an opportunity to get out and visit along the road. They all said they were going home, many for the first time in 7 years because they had been chased away.

The relief was universal.

Finally—and I am sorry Mr. Findley left, but—Mr. Findley and I do not always disagree on these issues any more. I am not a company man. I voted for the AWACS. I am pretty independent on these issues. I was a gunnery officer on a destroyer in 1958 when President Eisenhower saw fit to put the Americans ashore in order to save the government there. There was no hoopla about it; nobody was shocked, outraged, or concerned.

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We put three battalions of Marines ashore, they got the job done, we took them back and brought them home. We are going to spend about $248 billion on our military this year. To spend $248 billion, considering the fact there is not a soul in the Marines who was drafted, they are all there because they want to be there, if we cannot use a few battalions of our Armed Forces at a time when it is clearly in the national interests to do so, then I would recommend drastic reductions in our defense budget.

Mr. HAMILTON. Thank you very much, Congressman Wilson. We know that you serve on the Appropriations Committee and the subcommittee that deals with this area directly. We know of your interest in it. We respect your judgment. We are delighted to have your personal observations about your trip.

We thank you for taking the time to share with us some of your views.

I might ask any of my colleagues here if they have a question of Congressman Wilson while he is here?

Mr. Lantos.

Mr. LANTOS. I do. I want to welcome my colleague and compliment him because his comments are a breath of fresh air in what is a singularly misreported event.

Mr. WILSON. If I could comment on that before you go on, I have a judgment about the news media, about the media coverage and particularly the electronic coverage. They are all at the Commodore Hotel in West Beirut. They are there with the PLO press people. They drink with them at night. They have a siege mentality. They have the "Edward R. Murrow in London in 1940" syndrome. They get out in their bush jackets and deliver the message.

I really do think it has been unfair.

Mr. LANTOS. You quoted a lady you met who according to you was strongly anti-Israeli but nevertheless said anything is better than the PLO.

Mr. WILSON. That is right.

Mr. LANTOS. And you also said that there was abuse of women?

Mr. WILSON. That is right.

Mr. LANTOS. I take it you mean rape?

Mr. WILSON. In the women's case, yes.

Mr. LANTOS. Have you had any indication of abuse of a similar nature by the Israeli forces?

Mr. WILSON. No. I think that the Israeli forces are—the discipline, of course, has always been excellent in the army. I think in this case they are bending over backward. The health units are in the towns, the water trucks, all of that.

I have to be fair and say I did not visit any Palestinian communities. But as far as the Lebanese communities are concerned, the Israelis are furnishing health services, water, everything they can to make life more livable for the inhabitants. I do not know of a single case of abuse. The Israelis' biggest problem is keeping the soldiers from smuggling $4 scotch across the line when they go back, because there are no taxes in Lebanon.

The Lebanese are doing a lot of business with the Israelis.

Mr. LANTOS. You mentioned you were at Beaufort Castle. With your military experience, what would have been your reaction had you lived in the flatlands a few miles away from Beaufort Castle

and your own civilian communities had been subjected to periodic bombardment?

Mr. WILSON. I think the taking of the Castle was perfectly justified. I am prepared to defend the first 25 kilometers and I will let history make a judgment on the rest.

I made the observation in Israel—that history would have to decide whether the invasion was good for the Israelis or not. There is no question it is good for the Lebanese.

Mr. LANTOS. Thank you, Mr. Chairman.

Mr. HAMILTON. Mr. Roth.

Mr. ROTH. Thank you Mr. Chairman. I, too, would like to welcome back our colleague, Mr. Wilson.

My question deals with your comments about the press, I was wondering if you could enlighten me a little. I know the American people are concerned that every time they see a news report from Lebanon, it is always censored by the Israeli News Service, the Israeli Army or the Israeli Government. If there is this great spirit of welcome for the Israeli Army, why is everything that is reported from Lebanon censored?

Mr. WILSON. A lot of that censorship—I went into this with my Israeli hosts. A lot of it is because the name of an Israeli officer was called or something fairly small, but still something that might endanger the life of Israeli military forces or something that might show their hand on an operation.

I might add also that I think that the most intelligent thing Ms. Thatcher did in the war in the Falkland Islands was to prohibit the television cameras from accompanying the troops.

Mr. ROTH. Correct. The Argentinians were not welcomed with open arms.

Mr. WILSON. There was still blood for television cameras to show in the Falkland Islands. It probably made a difference. It would probably have made a difference in the attitude in Great Britain if there had been television pictures of the soldiers burning when the Sir Galahad was sunk.

Mr. ROTH. I do not suppose there is any blood in Lebanon.

Mr. WILSON. Of course there is. Of course there is.

Mr. ROTH. How do you think the American people would feel about your contention that because these Americans have all volunteered, then why not send them in? How do you think the American people feel about sending troops to Lebanon? How do your constituents feel about it?

Mr. WILSON. I think if they thought the President determined it was in the best interests of the United States, they would overwhelmingly approve it. My constituents and yours might have different attitudes about things like that.

Mr. ROTH. They might, although I doubt it.

Thank you, Mr. Chairman.

Mr. HAMILTON. Mr. Solarz.

Mr. SOLARZ. Mr. Wilson, I want to express my profound appreciation for the report we have just received from the gentleman from Texas who is noted in the House for his willingness to call the shots as he sees them. As he said himself, he is not a company man.

I think the fact that he has taken independent positions, particularly with respect to the Middle East in the past, some of which have been supportive of Israel, others of which have not, lends some real credibility to his assessment today.

I only have one question. All of us would agree that war is horrible; civilian casualties in the context of war are always deplorable. The real question I think is the extent to which armies which engage in war make efforts to minimize civilian casualties or alternately conduct their operations in such a way as to either maximize them or to be recklessly indifferent to the extent of the collateral civilian damage which ensues as a result of them.

I am just curious whether you have any impression, Mr. Wilson, based on your experiences in Southern Lebanon of the extent to which the Israelis in the course of the military operations they conducted appeared to have made any effort at all to minimize civilian casualties?

Mr. WILSON. I cannot speak as far as the Palestinian communities are concerned, and as far as the refugee camps are concerned. However, as far as the Lebanese citizens are concerned, there is no question that the Israelis took substantially larger casualties than they should have or that they needed to in order to protect and to inflict as few civilian casualties as possible.

Their efforts to identify the people they were shooting at caused a good many Israeli soldiers to be ambushed and shot. I know that not only from what the Lebanese told me, but from sitting around the swimming pool at the King David Hotel and talking to reservists who had been released.

One of them in particular who was not very enthusiastic about the war was a captain and he was in the paratroopers. He was complaining he had lost two men he did not need to lose because of what he considered to be overly restrictive rules.

Mr. SOLARZ. Did the Israelis indicate why they conducted themselves in that fashion and why——

Mr. WILSON. The Israelis are very sensitive to world opinion and the Israeli Army has never, as far as I know, been careless about civilian casualties.

Mr. SOLARZ. Thank you very much.

Mr. HAMILTON. Mr. Shamansky.

Mr. SHAMANSKY. Thank you, Mr. Chairman.

Mr. Wilson, in your visits with the Lebanese, were you able to draw a conclusion that the Lebanese authorities feel that they can reconstitute the State of Lebanon if the Syrians, the PLO, and the Israelis evacuate the country and give it back to the Lebanese? We have heard so much about the various factions. Can they reconstitute their own country? Do you have an opinion on that?

Mr. WILSON. I think that they are fairly confident that they can. My personal observation is not so confident. There are about 11 different uniforms in East Beirut of the various Christian factions. I think the Maronites clearly expect to reform a government in which they are clearly dominant, which I do not think will work. The Moslems are a little less confident but they sure want to try.

Mr. SHAMANSKY. Overall, are you optimistic or pessimistic about the possibilities?

Mr. WILSON. I would say I am neither. I am carefully hopeful.

Mr. SHAMANSKY. Thank you, Mr. Chairman.

Mr. HAMILTON. Any other questions for Mr. Wilson?

Thank you very much, Congressman Wilson. Thank you for your appearance.

I think our principal witness has escaped. We will recess just a moment until he returns.

[Recess.]

Mr. HAMILTON. We will now resume with questions by Mr. Shamansky.

Mr. SHAMANSKY. Thank you, Mr. Chairman.

PLO NEGOTIATIONS ON WITHDRAWAL FROM WEST BEIRUT

Mr. Secretary, is it possible for the United States to conclude that the PLO is not negotiating in good faith on the subject of its withdrawal from West Beirut?

Mr. VELIOTES. Anything is possible, Mr. Shamansky, but that is not our interpretation today.

Mr. SHAMANSKY. If it is not your interpretation, it is at least within the realm of possibility?

Mr. VELIOTES. Yes; I do think you are leading to a hypothetical question that I would have trouble commenting on.

Mr. SHAMANSKY. I have not gotten there yet, so let me work on it. If so, can you suggest what might be the indicia that they were not negotiating in good faith?

Mr. VELIOTES. I would imagine that Ambassador Habib's ability to find locations for them and a refusal to leave would be the best indication.

Mr. SHAMANSKY. I asked my question because the offer by the Sudan to accept the PLO apparently has been summarily rejected by the PLO. The reasons ascribed by the news commentators was it was too far from the action.

If the object is to vacate, what would be wrong with Khartoum? It is marvelous in the summer.

Mr. VELIOTES. That may be your answer.

I know about the news reports. I have no indication that the PLO has refused to go there as well as to other places. As I understand it, the Sudanese offer was a blanket offer. I thought that that was what had been turned down.

Mr. SHAMANSKY. What do you mean by a blanket offer?

Mr. VELIOTES. Take everyone.

Mr. SHAMANSKY. Would that not have been the most desirable one?

Mr. VELIOTES. It is a little fuzzy. I cannot tell you that that was it. It is my understanding that that was probably what was said publicly.

Mr. SHAMANSKY. I hope you understand that at least it raises in my mind in a rather pointed fashion the possibility that the PLO is simply stringing, not just us, but everybody else—along for whatever reasons and figuring that they will just hunker down and play it out.

Mr. VELIOTES. That is a possibility which would be most unfortunate. I believe we have communicated our views on such possibilities to all of the appropriate parties.

Mr. SHAMANSKY. That would include the Saudis and the Syrians?
Mr. VELIOTES. Yes; of course.
Mr. SHAMANSKY. Do our policymakers contemplate the possibility at least that we have no longer any faith in the ability—not the desire, but the ability—of Mr. Habib to accomplish his mission?
Mr. VELIOTES. We contemplate that hypothetically. We do not plan for that, because we do not believe that that is what is going to happen.
Mr. SHAMANSKY. As far as you know, we are still hopeful, rationally hopeful, that there will be an evacuation by the PLO?
Mr. VELIOTES. Yes, sir. That is the purpose.
Mr. SHAMANSKY. I am not talking about the purpose. I am talking about a real possibility, a judgment call that there is a real possibility that the PLO will permit itself to be evacuated from West Beirut.
Mr. VELIOTES. Yes. In that context, it would not exclude that some people might end up in the Sudan.
Mr. SHAMANSKY. OK.
Among other places?
Mr. VELIOTES. Among other places.
Mr. SHAMANSKY. Thank you, Mr. Secretary.
Thank you, Mr. Chairman.
Mr. HAMILTON. Mr. Roth.
Mr. ROTH. Thank you, Mr. Chairman.

POLITICAL AND MILITARY DISAPPEARANCE OF THE PLO

Yesterday we were told that it was the Israeli point of view that the PLO has to disappear politically and militarily from the Middle East. Does the United States share that view?
Mr. VELIOTES. Does the United States share that view?
Mr. ROTH. Right.
Mr. VELIOTES. The PLO will not disappear militarily or politically from the Middle East, so it is irrelevant as to whether anyone shares that.
Mr. ROTH. I do not think it would be irrelevant if that is one of the conditions imposed by Israel.
Mr. VELIOTES. I am not sure what the Israelis are saying. Is there some specific statement?
Mr. ROTH. Yes; I understand that it was reported yesterday.
Mr. VELIOTES. If someone is saying that, I think there must be a faulty data base.
Mr. ROTH. I will obtain the statement and send it to you for your analysis and comment.
Mr. VELIOTES. I am not trying to be difficult. It is a surprise to me. I may have seen something like this in Israeli media. I have never taken that to be authoritative with due respect to our Israeli correspondents.
Mr. ROTH. I will send you a copy. Then you can give me a response.
How does that sound?
Mr. VELIOTES. Fine.

CONGRESSIONAL TRAVEL TO LEBANON

Mr. ROTH. We have heard from one of our colleagues who was recently in the area. We have other colleagues still in the area,

meeting with various people and so on. Are these exchanges and meetings helpful to you?

Mr. VELIOTES. Well, there are problems with them. We would strongly urge, and we have, that we declare a moratorium on visits.

Mr. ROTH. In other words, they are not helpful?

Mr. VELIOTES. I would just as soon not get into whether they are helpful or not. There are real problems out there, problems of security, problems of accommodations, problems of cosmetics, which we believe should be avoided for the time being.

Now, in general, obviously we are in favor of congressional travel to these areas. Yesterday I participated in convincing two Members of the other House who had a very legitimate need to go, not to go. We would hope they would go, but it is best for the time being, I think, to hold these in abeyance.

ISRAELI POSITION ON THE PLO

Mr. ROTH. Secretary Veliotes, I now have the source of the quote that I was referring to. It was in the Washington Post. Maybe I can read it to you.

The article reports that Israel today, July 26, emphatically ruled out any possibility of dealing with the Palestinian Liberation Organization, even if it did recognize the Jewish State's right to exist and said the PLO had to "disappear politically and militarily from the Middle East."

Mr. VELIOTES. The first part of that is consistent with the longstanding position of the Government of Israel. I see nothing surprising about that. I guess that the last part is a wish. It is an expressed wish.

Mr. ROTH. Are they "going to make the wish happen," I believe, is the question we in this country must ask.

Mr. VELIOTES. Well, I would find it very difficult to see. The PLO is established all over the Middle East in a number of other countries.

Mr. ROTH. In other words, we would not share, from a pragmatic basis, that view; is that right?

Mr. VELIOTES. Right. Very unrealistic.

Mr. ROTH. Thank you.

Thank you, Mr. Chairman.

Mr. HAMILTON. Mr. Lantos.

Mr. LANTOS. Thank you, Mr. Chairman.

SAUDI ARMS TRANSFERS TO THE PLO

Since I am very anxious not to operate from a faulty data base, Mr. Secretary, I would like to ask you about the reports—and we have had a steady stream of these—of Saudi arms being transferred to the PLO, arms which we sold to Saudi Arabia in unopened cartons, in considerable quantities being found among the huge supplies of weapons that the PLO had.

First of all, I would like to ask you what is your information concerning this? Secondly, if in fact there were Saudi arms transfers to the PLO, would this be in violation of the Arms Export Control Act of the United States?

Third, if it were a violation, what steps if any are contemplated by the United States to deal with this issue?

And particularly in view of the fact that two of my most distinguished constituents, Secretary Schultz and Ambassador Habib—who live in Palo Alto and Belmont respectively, both in my district—need to be, I think, under the circumstances, like Caesar's wife, having had past relations with Bechtel.

What specifically would be your recommendation as the Assistant Secretary in charge of this area to them were such a violation to be found?

Mr. VELIOTES. I do not think the issue of who has been working for whom or who is a consultant for whom in the past is relevant here, Mr. Lantos.

Mr. LANTOS. I am not sure everyone agrees with you.

Mr. VELIOTES. I want to make this a matter of record. Any Secretary of State is going to make every effort to fulfill the laws of this land to the best of his ability. In this particular instance, we have received some information from the Israelis. I suspect that what we have received has been made available to others. We have asked for all pertinent information that they may have.

Now already—and I am not going to get into the details on this—some of the information we have been given has not sustained the allegation. The Israelis know this. So what I would say is any information we get that proves to be based on verifiable arms transfers from Saudi Arabia to the PLO of American equipment that we had provided to the Saudis under relevant agreements will certainly lead us to try to find out in a very determined manner how this material found its way to the PLO.

The issue is not really that it went to the PLO, but that it was transferred without our authorization wherever it went.

You can take that as a given. In the past, we have received other information and in every instance we have checked it right down to all details. We have informed the Israelis, who were usually the source of the information, of the results. Fortunately, to the best of my knowledge we have never had any verifiable transfers of this kind and we are going to wait for additional information. We will certainly do what must be done.

Mr. LANTOS. Do I understand that you are telling us that some of the information you have checked out but not all of it has been checked out?

Mr. VELIOTES. Some of the information that was made available had nothing to do with Saudi Arabia, and originally we were told it did. So you have to be cautious when you get the information, you have to have exchanges. We are in the process of doing this with the Israelis.

PALESTINIAN CIVILIANS IN LEBANON

Mr. LANTOS. You mentioned in your opening remarks, Mr. Secretary, that one of the things which is delaying the evacuation of the PLO from West Beirut is the concern for possible harm to Palestinian civilians; is that correct?

Mr. VELIOTES. Yes, sir.

Mr. LANTOS. How long have Palestinian civilians lived in Lebanon?

Mr. VELIOTES. Oh, at least since 1947, 1948, in differing numbers.

Mr. LANTOS. In differing numbers? Has there been any indication of harm to them prior to the PLO's presence within Lebanon?

Mr. VELIOTES. I really cannot answer because I do not have those facts.

Mr. LANTOS. It is my impression that they lived there in peace and security prior to the PLO's appearance on the scene. The harm to the Palestinians, which has been very considerable, came about after the PLO's entry into Lebanon as a military force.

Mr. VELIOTES. The situation became critical in the early 1970's, beginning in the early 1970's.

Mr. LANTOS. In your view, is there a likelihood of harm to Palestinian civilians, an issue with which we are all deeply concerned, should the PLO military presence be removed?

Mr. VELIOTES. I cannot answer you in a yes or no manner, sir. I do not think it is unreasonable, however, for there to be concerns. This has nothing to do with the current situation so much as the fact that all of the communities in Lebanon do have their own police forces; let's not talk about tanks, let's not talk about cannons.

Mr. LANTOS. Yes.

Mr. VELIOTES. I think one of the concerns is who will provide the police services if all of the people leave. Now we believe that this can and would be handled successfully by a combination of the Lebanese Armed Forces and the Lebanese internal security forces; but the pattern of violence in Lebanon does not make it unreasonable to have such concerns.

COSTS OF THE IRAN-IRAQ WAR

Mr. LANTOS. A final question, if I may, Mr. Chairman in another area. What is your best estimate thus far of the costs of the Iran-Iraq war?

Mr. VELIOTES. I can try to get you that for the record, sir. We really cannot calculate it very easily. Are we talking about lost production of oil, or of the physical damage? The cost to development?

It would be enormous. I can tell you that our estimate is that it is costing the Gulf States well over $1 billion a month in different forms of help to Iraq.

Mr. LANTOS. The figures that have been quoted range upwards of $25 to $30 billion in terms of subsidy from the Gulf States to Iraq.

Mr. VELIOTES. That does not count the damage in Iran. That has been very substantial.

Mr. LANTOS. That is right. Now Iran is apparently calling for reparation payments in the amount of $50 billion, $100 billion, different figures are being proposed; some are up to $150 billion.

What is our view concerning this demand by Iran for military reparations payments by Iraq or its supporters?

Mr. VELIOTES. Our view basically on this war is it should come to an end and there should be a negotiation.

Mr. LANTOS. Obviously. But apart from that.

Mr. VELIOTES. We have not addressed the various conditions that either side would put on except to call for the withdrawal of all foreign forces and the respect for the territorial integrity of both sides. I would be reluctant to say whether a reparation figure is correct or incorrect.

This would have to be negotiated out.

Mr. LANTOS. Do you find it incongruous that there is a willingness on the part of the Gulf States to pump $1 billion into a military effort by Iraq against Iran but an unwillingness to make any effort of a substantive nature to extricate these 5,000 PLO fighters from West Beirut?

Mr. VELIOTES. Well, one of the problems, as you know, sir, that has been holding up the successful completion of Ambassador Habib's mission has been this problem of onward destination.

Mr. LANTOS. But the Sudan has now offered an onward destination.

Mr. VELIOTES. We think we are putting it together. It has been, one could say, an irony of the situation.

ARAB SUPPORT FOR THE PLO

Mr. LANTOS. Does it raise any questions about the sincerity of Arab support for the PLO? Because we have had years of rhetorical support. When the PLO was in fact in desperate straits, no one came to their aid. How do you explain that, Mr. Secretary?

Mr. VELIOTES. Well, I am sure different people will have different explanations.

Mr. LANTOS. What is yours?

Mr. VELIOTES. I will give you a personal view—that the reluctance of any one Arab country to take them all—which has required a group effort, which has been complicated—is due to the fact, first, that no one wants to import 5,000 to 8,000 more potential internal security problems; but beyond that, no one Arab country wants to be vulnerable to the charges which the Libyans and other radicals are already making, that those Arab countries who are working with us are contributing to the elimination of Palestinian nationalism.

From our perspective, particularly that latter one—may not be too important, but, in the political culture in which our Arab friends live, this is a very important consideration.

Mr. LANTOS. Thank you, Mr. Chairman.

Thank you, Mr. Secretary.

Mr. HAMILTON. Mr. Solarz.

Mr. SOLARZ. Thank you very much, Mr. Chairman.

Mr. VELIOTES. Mr. Chairman, may I ask Congressman Lantos a pertinent personal question?

Why did you not include me in your list of distinguished constituents?

Mr. LANTOS. It was sheer oversight, Nick. I am delighted to add you, as I am delighted to add Cap Weinberger also who is my constituent. So you are in good company among the omitted ones.

Mr. HAMILTON. Mr. Solarz.

Mr. SOLARZ. The question is whether they are delighted to have Mr. Lantos as their Congressman.

Even if they are not, we are. I think he has contributed very significantly to the deliberations of this committee and the work of the Congress.

CONGRESSIONAL TRAVEL TO LEBANON

Mr. Secretary, you spoke a little bit earlier about the benefits of congressional travel. Do you care to elaborate on that at all?

Mr. VELIOTES. From my own experience overseas, particularly in the Middle East, both as an ambassador in Jordan and as charge in Israel, I found that visiting congressional delegations were terribly important to me in my work with the host government; it not only indicated the interest of the legislative branch in that work and in American foreign policy in that area, but the presence of the congressional leaders was not just symbolic, but a substantive element which the leaders of the foreign countries appreciated very much.

They wanted to have the opportunity to see them and explain and exchange views.

PRESIDENT SARKIS' POSITION ON PLO WITHDRAWAL FROM BEIRUT

Mr. SOLARZ. Can you let us know what the position of President Sarkis of Lebanon is with respect to the proposed withdrawal of the PLO from Beirut?

Mr. VELIOTES. I would prefer to put this in a broader context, not just talking about President Sarkis personally.

The Government of Lebanon wants and has gone on public record in the inter-Arab forum, which is very important, as wanting the end of the Palestinian armed presence in Lebanon; obviously West Beirut now has all of our attention.

Mr. SOLARZ. The Government of Lebanon wants the armed PLO presence completely out of the country?

Mr. VELIOTES. That is right.

Mr. SOLARZ. In stages or all at once?

Mr. VELIOTES. I think they are realistic. They understand the elimination of the armed presence both of the Palestinians and other foreign forces would have to take a little bit of time.

Mr. SOLARZ. Does the Government of Lebanon want all foreign forces to withdraw from the country?

Mr. VELIOTES. Yes, sir.

Mr. SOLARZ. Syrian as well as Israeli?

Mr. VELIOTES. Yes, sir.

Mr. SOLARZ. So the Syrian claim that they are there at the invitation of the Lebanese Government, whatever truth there may have been to that in the past, can no longer be sustained?

Mr. VELIOTES. That is substantially correct, but this gets you into a difficult area. If you don't mind, sir, let me say that the Arabs, not just the Syrians, maintain that the Syrian forces are there legally under an Arab League mantle at the request of the Government of Lebanon. They resist mightily any direct linkage between the Syrian presence and the Israeli presence, which they maintain is illegal.

SYRIAN POSITION ON WITHDRAWAL FROM LEBANON

Mr. SOLARZ. The PLO, according to what you have testified to, has indicated a willingness to withdraw militarily from Lebanon. The Israelis, as I understand it, have indicated a willingness to withdraw militarily as well in the context of a withdrawal of all foreign forces from Lebanon and the establishment of security arrangements in southern Lebanon which would prevent the restoration of the status quo ante. What has been the position of the Syrians with respect to a withdrawal of their forces? Have they been comparably forthcoming in terms of indicating a willingness to withdraw their forces from Lebanon?

Mr. VELIOTES. In my view, they have made it clear that if, asked by the Government of Lebanon in the appropriate inter-Arab context and if approved by the Arab League, which originally blessed their entry, they would withdraw.

U.S. POSITION ON PLO WITHDRAWAL FROM WEST BEIRUT

Mr. SOLARZ. Do we favor the withdrawal of the PLO military presence from West Beirut simply in order to avoid the civilian casualties that would result if they refused to withdraw and the Israelis moved in militarily, or do we favor their withdrawal for other reasons as well?

Mr. VELIOTES. West Beirut is an issue that goes beyond the PLO presence there right now. It is an Arab capital under siege by the Israelis and, the longer this goes on, the more problems this causes, both in perception and in fact. We would wish the PLO to leave for a variety of reasons. First and foremost, it is the desire of the Government of Lebanon. We are supporting this. I can't emphasize this enough.

Obviously the withdrawal of the PLO would signal the end of the Palestinian state within a state. There are still fighters in different places in Lebanon, but, qualitatively, the situation would change. We believe—and I say we share with the Lebanese the belief—that this would facilitate a very difficult task of Lebanese political reconstruction.

Mr. SOLARZ. Do you think it would be possible to reconstitute an effective Lebanese Government and Lebanese security force if the PLO were to remain in Beirut?

Mr. VELIOTES. I would find this very difficult.

Mr. SOLARZ. Could you possibly speculate on what the consequences for the peace process would be—not in Lebanon but in terms of the effort to achieve an agreement on the autonomy arrangements for the West Bank and Gaza and the peace process in general between Israel and the Arabs.

It seems to me at the present time with respect to the PLO presence in Beirut, there are two possibilities. The first is that the PLO can withdraw pursuant to some negotiated arrangements that are worked out through the good offices of Ambassador Habib and go to some other Arab capital or capitals. Second, in the absence of such an agreement, the Israelis can move in militarily and, in effect, physically eliminate the PLO forces in West Beirut.

In terms of its implications for the future of the peace process, do you think that the prospects for progress in that process would be

enhanced if the PLO withdraws with its leadership and cadre more or less intact or if, in effect, they are eliminated as a result of a move by Israel to take over West Beirut following a breakdown of the negotiations?

Mr. VELIOTES. Clearly the prospects of the peace process would be enhanced if there were a political solution and a withdrawal.

Mr. SOLARZ. Why?

Mr. VELIOTES. You would have had a successful effort led by the United States to prevent the elimination of those people who all of the Arabs maintain represent and symbolize Palestinian nationalism. I think that when we speak institutionally here—on issues like that—we have to understand what is the context.

Beyond that, I believe there is a possibility—nothing is certain—that a PLO reconstituted elsewhere would look seriously at the political option for advancing the claims of Palestinian nationalism.

IMPACT OF LEBANESE EVENTS ON AUTONOMY NEGOTIATIONS FOR THE WEST BANK AND GAZA

Mr. SOLARZ. What do you think the impact of the recent events in Lebanon and Beirut, assuming they are followed by a PLO withdrawal from Lebanon, will have on the attitude of the Palestinians on the West Bank and Gaza with respect to participating in the peace process and in the autonomy negotiations?

Will they be, in your judgment, more likely to participate, or will these events make them, if anything, even less likely than they have been in the past?

Mr. VELIOTES. It is very hard to speculate on that one. I think I will have to think about it. I can't comment on it.

Mr. SOLARZ. As you know, it has been the feeling on the part of some of the Israeli leaders that many of the Palestinians on the West Bank and Gaza have refrained from participating in the peace process because they have been intimidated by the PLO. Presumably, if the Israelis succeed in breaking the back of the PLO, at least militarily, it should encourage these Palestinian leaders to come forward. Do you share that sense of hope and optimism?

Mr. VELIOTES. Not in that cause-and-effect sequence. What would be very important based on my own personal experience in discussions with the Palestinians of the West Bank and elsewhere, is that they have confidence in not just a process but in the substance of the proposals. I wouldn't see this happening in the context of what is on the table right now.

U.S. POSITION ON NEGOTIATING WITH THE PLO

Mr. SOLARZ. Ever since 1975 our policy has been that we would not enter into negotiations with the PLO unless and until it accepted U.N. Resolution 242 and Israel's right to exist. During his confirmation hearings, Secretary Shultz said that "they would have to get off the terrorist kick." Have we established another condition the PLO will have to meet in order to enter into negotiations with us?

Mr. VELIOTES. In my personal view, we have not added anything formally to that. But it is implicit, I think, in an option for a political solution that these activities cease.

Mr. SOLARZ. In other words, we would not be willing to enter into negotiations with the PLO so long as terrorist activities sponsored by that organization continue?

Mr. VELIOTES. Right at this moment, I can't give you a yes or no answer to this. Clearly, should terrorist activities be continuing, and had they met all of our other conditions, I would imagine this would be the top agenda item, at a minimum.

U.S. PARTICIPATION IN A MULTINATIONAL FORCE IN LEBANON

Mr. SOLARZ. Mr. Secretary, would you say that the participation of American troops in a multinational force brought into Beirut to supervise the withdrawal of the PLO from that capital is a sine qua non for a negotiated agreement that would make possible the withdrawal of PLO forces?

Mr. VELIOTES. A necessary condition, sir.

Mr. SOLARZ. So without a willingness on our part to use American troops as part of some multinational force, it would be impossible in your view to get an agreement which would facilitate the peaceful withdrawal of the PLO from Beirut?

Mr. VELIOTES. Yes, sir.

Mr. SOLARZ. Two other questions, Mr. Chairman. I appreciate the indulgence of the Chair.

I gather it is the official position of the administration that Mr. Arafat's statement to the congressional delegation a few days ago did not meet the terms and conditions which have been the basis for American policy with respect to the PLO since 1975?

Mr. VELIOTES. That is correct.

Mr. SOLARZ. Finally, could you tell us if we have any idea of what Mr. Arafat's reaction was to the advice he received from Colonel Qadhafi that he should commit suicide?

Mr. VELIOTES. I just assume he is not going to accept that policy guidance from Tripoli.

Mr. SOLARZ. Thank you very much.

IRAN-IRAQ WAR

Mr. HAMILTON. Mr. Secretary, I have a number of questions, but I want to begin by shifting our focus to the Iran-Iraq war. How serious a threat is that war to the security of the Persian Gulf?

Mr. VELIOTES. Its mere continuation poses a threat to the Persian Gulf.

Mr. HAMILTON. We have pledged our neutrality, is that correct, in the conflict?

Mr. VELIOTES. Yes, sir.

Mr. HAMILTON. Are there any circumstances which you could envision which would move us away from a neutral position there?

Mr. VELIOTES. In the context of the Iran-Iraq war itself; no, sir.

Mr. HAMILTON. Are we doing anything to try to stop the war?

Mr. VELIOTES. We have been very active for several months, diplomatically, trying to raise the consciousness of a number of countries. We have been in touch with some. I can't mention them because they have been quite upset at the publicity out of Washington. I think you understand, sir, that Washington-led initiatives are not received in Tehran with any welcome.

Mr. HAMILTON. Have we had any contact with the Iraqis or the Iranians?

Mr. VELIOTES. We talk to the Iraqis all the time. We have an interests section there. Our interests section chief is a senior officer.

Mr. HAMILTON. What are we saying to them?

Mr. VELIOTES. That we would like to see the war end, that we are anxious for the war to end.

We see that it is in no one's interest—not in the interest of the two countries—to continue the war. It is a threat to the Gulf, and in that context it has the possibility of involving the great powers. We don't see how this is to anyone's interest.

ARMS TRANSFERS TO IRAQ

Mr. HAMILTON. Are we considering the possibility of permitting the transfer of U.S. arms from Persian Gulf countries to Iraq?

Mr. VELIOTES. No, sir.

IRANIAN MOTIVES IN INVADING IRAQ

Mr. HAMILTON. What do you think the Iranian motives are in invading Iraq?

Mr. VELIOTES. We have trouble really analyzing Iranian motives. What we are usually left with is Iranian public statements. These public statements have been somewhat varied, but on the eve—I think the day of the first attack of the latest battle—the Ayatollah Khomeini made a public statement of Iranian war aims which were maximalist: the downfall of Saddam Hussein, the end of the Baath Party, calling for a spontaneous revolt to put in an Islamic revolutionary government, and I don't know what figure he used for reparations.

Mr. HAMILTON. What do you think his aim is? Is his aim to replace Hussein and let Iran control Iraq? Or is his aim to try to establish a government in Iraq that is friendly to Iran?

Mr. VELIOTES. Based on the past experience with the gentleman himself, I think you have to take seriously his maximalist statements. Until or unless there is evidence to the contrary, I would have to conclude that the Ayatollah Khomeini wishes to export his own brand of Islamic revolution.

Mr. HAMILTON. And to control Iraq?

Mr. VELIOTES. I don't understand why he made the statement he made if he has any lesser goals.

Mr. HAMILTON. Do you think he will try to spread the revolution to other countries in the Gulf?

Mr. VELIOTES. I believe he made another statement yesterday—I don't have the text with me—which may have been somewhat softer with respect to Iraq and somewhat stronger with respect to threatening the Gulf, so——

Mr. HAMILTON. So you think that Iranian export of revolution or direct attack is a very real danger to the countries of the Gulf?

Mr. VELIOTES. Based on the public statements of their leaders, yes. We would hope that the analysis that I have just given you represents flaws in your own reasoning and that really what we are saying here is something much less. We would hope so. We

don't see any reason for the Iranians to fear the gulf or to try t destabilize the gulf. That would cause problems for us.

AUTONOMY TALKS FOR WEST BANK AND GAZA

Mr. HAMILTON. Let me shift your attention to the West Banl and Gaza. What is the status of the autonomy talks at th moment?

Mr. VELIOTES. Moribund.

Mr. HAMILTON. What are we doing with regard to the moribunc talks?

Mr. VELIOTES. Reviewing the bidding amongst ourselves.

Mr. HAMILTON. Is Mr. Fairbanks active at all?

Mr. VELIOTES. Active in the sense that he is participating in the reviews, but he has not been active in the area.

Mr. HAMILTON. Are we urging the parties to continue conversations, discussions, negotiations during the Lebanese conflict?

Mr. VELIOTES. I believe the Egyptian Government has made clear that this is an inappropriate time to be engaging in these discussions.

Mr. HAMILTON. What is the posture of the Israeli Government?

Mr. VELIOTES. I think the Israeli Government is totally focused on Lebanon all the time.

Mr. HAMILTON. Would it be your judgment that the autonomy talks are not likely to convene for months?

Mr. VELIOTES. I hope not.

Mr. HAMILTON. Well, I am sure your hope is clear. What I am interested in is your judgment.

Mr. VELIOTES. My judgment is it would be a grave mistake if we did not resume serious negotiations on the future of the West Bank and Gaza under Camp David in the reasonably near future.

Mr. HAMILTON. But the impression I and others have I guess is that the events in Lebanon have so overwhelmed the autonomy talks that they are really not likely to move forward for months. Is that correct?

Mr. VELIOTES. I can't rule that out as a possibility. I could only repeat that I would consider that most unfortunate. Clearly, the President and the Secretary have indicated publicly that the lesson of Lebanon is the need to move ahead on the Palestinian issue, and we have the forum.

Mr. HAMILTON. What does that mean?

Mr. VELIOTES. It means make progress on the transitional autonomous regime as soon as possible, in my view.

Mr. HAMILTON. Is the United States considering any change in its position with regard to the PLO?

Mr. VELIOTES. Our position is constant, I believe. I think we made that clear again publicly yesterday.

U.S. SUPPORT FOR A PALESTINIAN STATE

Mr. HAMILTON. Are we considering support of an independent Palestinian state?

Mr. VELIOTES. Our position on that is also clear, sir. We hope to move again toward the transitional regime under Camp David and

engage in final status negotiations as soon as possible. But at this point we have not indicated a preference.

U.S. POSITION IN WEST BANK AND GAZA

Mr. HAMILTON. Mr. Shultz said in his confirmation hearings, and I quote him now,

> Personally, I hate to see people who have been elected mayors on the west bank removed from office because you are just removing people who have a certain level of legitimacy.

Does that statement now represent U.S. policy?

Mr. VELIOTES. Yes, sir.

Mr. HAMILTON. What precisely do you intend to do about it?

Mr. VELIOTES. Clearly, one of the first things to do about it is to indicate where you stand. I believe Mr. Shultz has done that publicly. As we reengage on the West Bank and Gaza, this issue will be important between us. I really don't think I should go any further at this point.

ISRAELI POLICY ON THE WEST BANK

Mr. HAMILTON. The civilian administrator of the territories, Mr. Milson, claims there is a silenced majority of Arabs in the west bank who are moderate and who would accept the Begin government's formula. Time magazine ran a poll not long ago which showed that 98 percent of the persons polled wanted an independent Palestinian state, 85 percent wanted the state run by the PLO, 50 percent said Arafat should lead the Palestinians, 93 percent said that it made no difference which Israeli party was in power, 71 percent believed peace with Israel will never happen.

Which measurement here of Palestinian opinion do you regard as the more accurate one? Mr. Milson's or the poll taken by Time magazine?

Mr. VELIOTES. Oh, I would say the poll taken by Time certainly is more accurate. Not because it is a Time magazine poll, but based on my own experience.

Mr. HAMILTON. The subcommittee will stand in recess while we vote. We will be back shortly.

[Recess.]

Mr. HAMILTON. The subcommittee will resume its sitting.

RECENT EVENTS ON THE WEST BANK

Mr. Secretary, we have seen a number of events on the West Bank in recent weeks which are disturbing. They, of course, have not had the kind of coverage that the events in Lebanon have had for understandable reasons, but several persons have been killed, a number have been wounded, a number of the municipalities there have been disbanded, universities have been closed, newspapers have been shut down. Then some have resumed publication; three, I think, shut down, two resumed publication, one new settlement has been opened and ground has been broken for several more. How do you interpret these developments, and what are we saying about them or doing about them?

98-040 O - 82 - 2

Mr. VELIOTES. I would interpret them as thoroughly consistent with the policies that have been articulated and implemented by the Israeli Government in the last 6 to 8 months. As to what we are saying about them, you referred to what the Secretary of State had to say the other day. We indicate that we do not approve of these activities.

Mr. HAMILTON. Do you consider these events and the efforts to change the political and social fabric of the West Bank as being in violation of either the letter or the spirit of Camp David?

Mr. VELIOTES. Well, whether or not they are in violation, I would say they are certainly not consistent with my understanding of what is required to build confidence in these people so that they would participate with us in the Camp David process which is so very much in their interest.

U.S. CONCERN FOR ISRAELI POLICIES ON WEST BANK

Mr. HAMILTON. How can the United States convey better its concern about the course that the Israelis are pursuing in the West Bank?

Mr. VELIOTES. I believe the most effective way to convey such concerns is privately.

Mr. HAMILTON. We have done that, have we?

Mr. VELIOTES. Yes, but, of course, we have had a focus on Lebanon as well, sir, though perhaps not as much.

I think there is a difference between conveying concern and being effective in conveying this concern. I believe that that effectiveness is best achieved in the context of an ongoing and serious negotiating process.

Mr. HAMILTON. When you said a moment ago that the Camp David talks—the West Bank-Gaza talks were moribund, do you suggest by that that we have got to begin to look for alternatives?

Mr. VELIOTES. No. I wasn't suggesting that the process was dead but that the talks themselves were at a deadend for a variety of reasons including our preoccupation with Lebanon and the pressures Lebanon puts on our Egyptian friends in the context of reengaging.

My own view is that Camp David remains the best forum for addressing the issue. It's based on U.N. Resolution 242, it has a territorial and political dimension which 242 had heretofore been criticized for not having. My view is that we should all be preparing ourselves to move ahead vigorously.

STATUS OF LEBANON NEGOTIATIONS

Mr. HAMILTON. Let me go back to Lebanon and the status of the negotiations there and the cease-fire. Why are we having so much trouble getting a cease-fire? Why can't we get an agreement to stop shooting?

Mr. VELIOTES. The easy answer is that every time we have an agreement such as this, someone breaks it. Each time you try to investigate it, you just want to get it back in place, and in the process of doing this, usually various parties claim the other side started it. We have no independent verification.

Mr. HAMILTON. You have, what, three parties principally involved there: the Israelis, the PLO, and the Phalange? They are the ones that have the firepower, right?

Mr. VELIOTES. Right. It is the Israelis and the PLO doing the fighting.

Mr. HAMILTON. The Phalange is not breaking the cease-fire and not shooting here?

Mr. VELIOTES. That is right. To the best of my knowledge, the Syrian troops in West Beirut are not engaged in this.

Mr. HAMILTON. Do you have any judgment as to who is breaking the cease-fire?

Mr. VELIOTES. I really don't have an independent judgment; I have a comment. We would hope whoever is doing it would stop. A lot of innocent people are suffering.

Mr. HAMILTON. Is it our policy to support a nonmilitary residual PLO presence in Lebanon?

Mr. VELIOTES. To support? It would be our policy to, I believe, support whatever the Government of Lebanon decided to do in that respect or other respects.

Mr. HAMILTON. So if the Government of Lebanon favors, then, a residual nonmilitary PLO presence in Lebanon, we would support that?

Mr. VELIOTES. That is my understanding. But you and I don't want to presume to speak for the Government of Lebanon, but whenever that subject has been addressed, it's always been addressed not in terms of any major political headquarters, but rather in terms of information office or a social and humanitarian office.

The PLO provides many services to the thousands of Palestinian civilians in West Beirut. Someone would have to continue to provide those services.

Mr. HAMILTON. The Government of Lebanon will not be in any position to do that for a long time?

Mr. VELIOTES. That is right.

Mr. HAMILTON. Is there an agreement in principle now that the PLO combatants will all leave Lebanon? Has that much been agreed upon at this point or has not even that——

Mr. VELIOTES. There is a principle——

Mr. HAMILTON. You talked about the problems of timing and methods of departure. Has there been an agreement on the principle that all PLO combatants will get out?

Mr. VELIOTES. Leave West Beirut. We are only focusing on West Beirut at this time.

Mr. HAMILTON. The agreement does not extend to their getting out of Lebanon?

Mr. VELIOTES. The Lebanese Government has made clear its desire to end the armed Palestinian presence and to get rid of all foreign forces. That would have application outside of Beirut.

Mr. HAMILTON. What I am trying to find out is what we can say has been agreed upon at this point or can we say anything has been agreed upon? Are all of the matters kind of interrelated?

Mr. VELIOTES. What we know is that the Government of Lebanon would like the PLO out of West Beirut.

Mr. HAMILTON. Totally?

Mr. VELIOTES. Certainly the major nonmilitary presence and the military presence. Whether or not there is a residual office or two doing other things, I don't want to comment on, because that has not been, to the best of my knowledge, worked on in any final terms; but certainly the Government of Lebanon would like the bulk of the PLO leaders and the armed military out. And the PLO has agreed to this subject to the modalities of their departure.

Mr. HAMILTON. Our position in all of this is that we support what the Lebanese Government wants; is that it?

Mr. VELIOTES. Yes, sir.

Mr. HAMILTON. You talk here about several kinds of action that are needed to work out arrangements on West Beirut. One is a pullback of the Israeli troops. A second is the departure of the PLO combatants, and a third is the presence of some kind of an international force. Do these things have to happen simultaneously, or is there some sequence, or is that a matter that is being negotiated?

Mr. VELIOTES. That is being worked out. Ambassador Habib is handling this. Those are the key elements, sir.

Mr. HAMILTON. What are we suggesting? What are we recommending? That it be done simultaneously? Ycu give me the impression sometimes, Mr. Secretary, that Mr. Habib is working this out all by himself over there and that it is quite apart from the U.S. Government. I mean, is he working for us?

Mr. VELIOTES. Yes, sir, it is just that it is difficult for me to discuss these issues in detail in public session.

Mr. HAMILTON. How about this one, can you discuss that? Do we favor these actions happening simultaneously?

Mr. VELIOTES. It depends on the modalities here.

Mr. HAMILTON. How about——

Mr. VELIOTES. It is awfully hard for me to say what simultaneity means in these things.

Mr. HAMILTON. How about the Lebanese Government, do they favor these happening simultaneously?

Mr. VELIOTES. The Lebanese Government favors these things happening.

Mr. HAMILTON. But they have not expressed themselves with respect to it?

Mr. VELIOTES. Whatever will work is, I think, the Government of Lebanon's position. That will be my position.

Mr. HAMILTON. I understand.

I think you said earlier in our exchange that the Israelis have not put any time limit on the completion of the West Beirut negotiations?

Mr. VELIOTES. That is my understanding, there are no deadlines, but the sooner the better. They have made that clear.

Mr. HAMILTON. If you were guessing this morning, where would you guess the PLO combatants will go?

Mr. VELIOTES. I guess that they would be distributed amongst a number of Arab countries.

Mr. HAMILTON. Do you want to identify those countries for us or is that going too far?

Mr. VELIOTES. No, sir, not at this time.

Mr. HAMILTON. Do you have any information about the kidnaping of Mr. Dodge?

Mr. VELIOTES. We have a lot of information about the kidnaping of Mr. Dodge. We are in touch with his wife and family, and with AUB. We have been in touch with those other parties who can help.

Mr. HAMILTON. Who did it?

Mr. VELIOTES. Mr. Chairman, I really would hope you would not talk about that because the people who have Mr. Dodge——

Mr. HAMILTON. Has anybody claimed responsibility for it?

Mr. VELIOTES. No; no one has claimed responsibility, although we do have good information on who did it. We do not want to raise the profile of this—that is the point.

Mr. HAMILTON. The press has identified the Amal group, the Shiite Muslim group, as the group that did it.

Mr. VELIOTES. I do not believe that is accurate.

Mr. HAMILTON. You do not believe that is accurate?

Mr. VELIOTES. Well, the Amal group—I do not think that that is accurate.

Now, that has a number of factions, this gets very difficult. I would not wish to say that the Amal itself was responsible.

Mr. HAMILTON. Is there some negotiation going on now with respect to his release?

Mr. VELIOTES. Well, there are discussions going on.

Mr. HAMILTON. There has been some talk in the press at least about its wanting to exchange him for an Iranian Envoy.

Mr. VELIOTES. An Iranian Envoy or Iranian personnel, that is substantially accurate.

Mr. HAMILTON. Mrs. Fenwick.

Mrs. FENWICK. This involves a constituent of mine; his wife is now in Princeton.

Mr. VELIOTES. Yes; Princeton.

Mrs. FENWICK. Have you reports as to his safety and welfare?

Mr. VELIOTES. We do have some, Mrs. Fenwick. We are following this closely. We really do not want to talk much about this.

Mrs. FENWICK. But could you tell me so I could tell her whether he is alive and well?

Mr. VELIOTES. To the best of our knowledge he is, but I think she would appreciate just talking it over with you.

Mrs. FENWICK. Yes; I do not think you ought to say anything publicly.

Mr. VELIOTES. I was going to say that.

Mrs. FENWICK. Have you been in touch with her and given her what information you have?

Mr. VELIOTES. We have.

Mrs. FENWICK. I would feel better about it.

Mr. VELIOTES. We are doing our best, and we are always in touch.

Mrs. FENWICK. I spoke to her the other day and she seemed to be satisfied that you were in touch. But she did not know about his health and welfare. This was the day it happened, so perhaps you had not gotten information to her.

Mr. HAMILTON. Let me ask you a few questions about the International Peacekeeping Force just to see where we stand on that. We are still willing to participate?

Mr. VELIOTES. Yes, sir.

Mr. HAMILTON. Are the French also willing to participate?

Mr. VELIOTES. The commitment in principle is still there.

Mr. HAMILTON. On what kind of a basis, 50–50?

Mr. VELIOTES. I believe that is it.

Mr. HAMILTON. Are other states willing to participate?

Mr. VELIOTES. We have had discussions with other countries and there are some possibilities.

Mr. HAMILTON. Are all of the parties that have been in the discussions, including the French, willing to accept a short-term commitment; that is, a short-term presence in Lebanon?

Mr. VELIOTES. Well, certainly if you are talking about the U.S. presence, that is our business. That is the way it will be, short-term. We have told them this.

Mr. HAMILTON. The press has said that two battalions from the 82d Airborne might be used. That is a unit that has some responsibility, as I understand it, in the Rapid Deployment Force.

Mr. VELIOTES. I cannot comment on the 82d Airborne. All of the planning has been in the context of Marines who are in the Mediterranean. I think that is speculation which is very harmful.

Mr. HAMILTON. But the idea of an International Peacekeeping Force is still being actively considered with the U.S. participation for a short-term presence?

Mr. VELIOTES. We have said 30 days.

Mr. HAMILTON. Mrs. Fenwick.

Mrs. FENWICK. Yes, I do apologize to the witnesses and to the chairman for my late arrival. We had an Education and Labor Standards meeting. I was kept there. I am very sorry because I do not think there is anything more pressing than this particular issue. I therefore missed a great deal of what you had to say, Mr. Veliotes.

Are we hopeful?

Mr. VELIOTES. Oh, yes.

Mrs. FENWICK. Are we making progress in what would seem to be a constructive way?

Mr. VELIOTES. The Lebanese are the ones who are suffering through all of this. There is progress. It is not going nearly as fast as we would wish. That is no secret. And the delays bring dangers and more casualties.

Mrs. FENWICK. And more difficulties.

Mr. VELIOTES. And more difficulties. Lots of people want to be helpful in their own way. Not all of their initiatives are helpful. We would wish that we could get everyone to agree with us that the objective of solving the problem in West Beirut really is sufficient unto itself.

Mrs. FENWICK. The reports this morning on the radio spoke of the bloodiest day yet ending early this morning. Terrible.

Mr. VELIOTES. It is hard to characterize it as the bloodiest day yet, but it was a very tough day.

As I mentioned earlier, it is really impossible to know who violates these cease-fires. When we know they are being violated, we try to stop them and we try to do our best to see to it that they hold.

When they do not, people suffer, usually innocents.

Mrs. FENWICK. There are so many questions that I am sure you have answered and I don't like to take the time of the committee, but I was very much heartened and interested the other night to listen to the president of Ben Gurion University who had been the head of security before he retired from the Israeli Army. He quite clearly said at a public meeting that he separated the PLO from the Palestinians and that the Israeli people did not harbor hard feelings against the Palestinians.

It was the PLO that was making the trouble in each case when the Palestinians arrived in Jordan or wherever else they may have gone.

It was the violence and the terrorism that became an unwelcome element among that group of unhappy people.

PLANS FOR EVACUATED PLO

Of course, it matters where the PLO goes but I would like to know what is going to happen to those 400,000 who will be provided a haven when they are separated from the PLO. Will they be harbored in some Arab countries?

Is there any plan for their safe——

Mr. VELIOTES. You mean the Palestinian civilians who are in Lebanon?

Mrs. FENWICK. Yes.

Mr. VELIOTES. Well, it is impractical to consider any kind of a mass exodus. No one is considering that.

What we would hope and expect is that these people will live peacefully under the authority of the Government of Lebanon and be allowed to live peacefully.

Mrs. FENWICK. Is it seen, for example, that they will become Lebanese citizens or is it seen that the Palestinians would remain as a group of visitors?

Mr. VELIOTES. I think they would be viewed as resident aliens. I think there is an acquiescence among Lebanese in the fact that the Palestinians will be there. What they want is an end to the armed presence.

Mrs. FENWICK. Yes.

Mr. VELIOTES. That is why it has spread. It is not just a tenet of belief of a faction or of the Government. They would hope and expect that with the end of the armed presence and the end of a state within a state, the Lebanese Government would move to reconstitute its authority and progressively act effectively throughout Lebanon.

Mrs. FENWICK. Would there be a movement to disperse them more widely throughout the country, perhaps some of them living in the north, now that the camps have been destroyed in the south?

Mr. VELIOTES. There are Palestinians in the north. There is a major concentration around the city of Tripoli and another one

around Baalbek in the Bekaa, as well as perhaps more than 200,000 living in Beirut itself. The question of what happens to those civilians who lived in the camps in the south is a very difficult issue.

It starts out as a humanitarian problem right now, and we all understand it has broader implications. I guess those decisions will be made by the Lebanese in consultation with the people concerned themselves.

PALESTINIANS IN LEBANON

Mrs. FENWICK. Have you any precise figures? For example, we hear that 400,000 is the number of Palestinians in Lebanon: How many are there around Tripoli?

Mr. VELIOTES. Well, I can give you a guesstimate right now of 50,000.

Mrs. FENWICK. And how many around Baalbek?

Mr. VELIOTES. I cannot give you that estimate because whatever we had before probably was changed as a result of the invasion.

Mrs. FENWICK. How many do you think were in the camps that have been destroyed?

Mr. VELIOTES. I will have to send you this information. This is very different now.

Mrs. FENWICK. Where have they gone?

Mr. VELIOTES. Many of them in the camps did not go anywhere but into the nearby orange fields. That is one of the problems. There are no camps, but you have a relief problem right now.

Mrs. FENWICK. Yes; there were reports in the paper that some of them had been treking eastward into Syria.

Mr. VELIOTES. There may be some who have gone eastward into Syria but I would not say too many.

Mrs. FENWICK. I see.

Thank you.

Mr. VELIOTES. Most of the Palestinians who were in Lebanon are still there.

Mrs. FENWICK. From what you can tell us then, if there were 400,000—that is the figure we have seen in the newspaper—350,000 were in the south or in Baalbek.

Mr. VELIOTES. No; there were several hundred thousand in Beirut itself.

Mrs. FENWICK. How many?

Mr. VELIOTES. The so-called camps in Beirut have turned into part of the city.

Mrs. FENWICK. True. How many there?

Mr. VELIOTES. A couple of hundred thousand.

Mrs. FENWICK. 200,000?

Mr. VELIOTES. Yes.

Mrs. FENWICK. OK.

Mr. VELIOTES. Nothing is going to add up to 400,000, I want to warn you. But, look, we have really been trying to get those figures.

Mrs. FENWICK. Yes.

Mr. VELIOTES. Let us make another effort and see if we have better figures now and we will submit it for the record to the committee.

[The information subsequently submitted follows:]

The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) reported 61,131 registered Palestinians in the southern camps prior to the Israeli incursion. That number does not include unregistered Palestinians and may, therefore, substantially understate the total population in the camps prior to the Israeli incursion. (In addition to those registered as living in camps, there were also 47,931 registered Palestinians who did not live in camps.)

When the fighting broke out, large numbers of Palestinians fled the camps for other parts of the country. They continued to move from one location to another as the fighting ebbed and flowed. As a result, there is currently no accurate census of the number of Palestinians in any given location.

Mrs. FENWICK. The Lebanese Government might have some idea.

Mr. VELIOTES. They are active in the south now and, as you know, Peter McPherson has been there, and he is following this very closely, as is our refugee office, and the Congress is cooperating with us in the funding that we need.

Mrs. FENWICK. Thank you, Mr. Chairman.

RELIEF SUPPLIES FOR WEST BEIRUT

Mr. HAMILTON. What is the situation about relief supplies getting into West Beirut?

Mr. VELIOTES. It is off and on, Mr. Chairman. The checkpoints are open and a certain number of supply trucks go through. Sometimes the checkpoints close and sometimes the electricity and water get cut back.

Mr. HAMILTON. Are we protesting that erratic performance?

Mr. VELIOTES. We work to keep the checkpoints open for food and medical supplies and to keep the water and electricity on.

PRESIDENTIAL DETERMINATION ON USE OF CBU'S

Mr. HAMILTON. Let me come back to the cluster bomb business that I started off with, because I want to get a better understanding.

Will the President or won't the President make a determination as to whether or not the CBU's agreements were violated?

Mr. VELIOTES. I cannot answer that question.

Mr. HAMILTON. Does that mean that he has not made a decision thus far?

Mr. VELIOTES. He has made a policy decision to suspend the cluster munitions that were ready to be shipped, but he has not made a legal decision as to whether or not our agreements were violated.

Mr. HAMILTON. Is that a pending matter or has it now been resolved and no decision will be made?

Mr. VELIOTES. Well, it is pending.

Mr. HAMILTON. When you respond to Mrs. Fenwick's question, would you give us the best estimates you have on civilian casualties, killed, wounded, and displaced?

Mr. VELIOTES. Yes, sir.

[The information subsequently submitted follows:]

There are conflicting reports from a variety of sources regarding the total number killed and wounded. Any definitive determination of death or casualty figures is

complicated by the use of mass graves, the Muslim practice of swift burial, bodies buried in the rubble, the lack of a valid and complete census before the war, and limited access to the affected area.

The U.N. Interagency Mission Report sheds some light on the numbers of people estimated to require some form of assistance (shelter, food, medicial aid, water and sanitation). Based upon its field survey conducted from July 5 to July 17 and further surveys, it estimated that the number of needy people includes 300,000 Lebanese and as many as 175,000 Palestinians, registered and unregistered.

Mr. HAMILTON. Do you have any further questions?

Mrs. FENWICK. No, Mr. Chairman.

Mr. HAMILTON. The subcommittee stands adjourned.

Thank you very much.

[Whereupon, at 12:33 a.m., the subcommittee was adjourned, subject to the call of the Chair.]

APPENDIX 1

BIOGRAPHIES OF WITNESSES

HON. NICHOLAS A. VELIOTES

Nicholas A. Veliotes was sworn in as Assistant Secretary of State for Near Eastern and South Asian Affairs on May 21, 1981. Prior to this appointment, he had served since 1978 as United States Ambassador to Jordan.

Mr. Veliotes, a career Foreign Service Officer, was born on October 28, 1928 in Oakland, California. He received Bachelors and Masters degrees from the University of California at Berkeley and served in the United States Army from 1946 to 1948. He joined the Foreign Service in March, 1955.

Mr. Veliotes has served overseas as Deputy Chief of Mission in Tel Aviv (1973–75) and earlier in a variety of positions in Vientiane, New Delhi, Rome and Naples. In the Department, he has held the positions of Deputy Assistant Secretary for Near Eastern and South Asian Affairs (1977–78), Deputy Director of the Policy Planning Staff (1976–77), and as Special Assistant to the Deputy Secretary of State (1970–73). Mr. Veliotes was selected as a Woodrow Wilson Fellow at Princeton University in 1969.

Mr. Veliotes is married to the former Patricia Nolan. They have two sons.

HON. CHARLES WILSON

Charles Wilson, Democrat, of Lufkin, Tex.; born in Trinity, Tex., June 1, 1933, attended public schools of Trinity, Tex., graduating from Trinity High School, 1951; while a student at Sam Houston State University at Huntsville, Tex., was appointed to the U.S. Naval Academy; graduated from the Academy, 1956, with B.S. degree; served in the U.S. Navy, 1956–60, with rank of lieutenant; elected to the Texas House of Representatives, 1960–66; elected to the Texas Senate, 1966–72; lumber yard manager; married Jerry Carter, 1963; elected to the 93d Congress, November 7, 1972; reelected to each succeeding Congress.

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APPENDIX 2

CLEMENT J. ZABLOCKI, WIS., CHAIRMAN
L. H. FOUNTAIN, N.C.
DANTE B. FASCELL, FLA.
BENJAMIN S. ROSENTHAL, N.Y.
LEE H. HAMILTON, IND.
JONATHAN B. BINGHAM, N.Y.
GUS YATRON, PA.
STEPHEN J. SOLARZ, N.Y.
DON BONKER, WASH.
GERRY E. STUDDS, MASS.
ANDY IRELAND, FLA.
DAN MICA, FLA.
MICHAEL D. BARNES, MD.
RICHARD WHITE, TEX.
GUS W. GIBBONS, JR., TEX.
BOB SHAMANSKY, OHIO
SAM GEJDENSON, CONN.
MERVYN M. DYMALLY, CALIF.
DENNIS E. ECKART, OHIO
TOM LANTOS, CALIF.
DAVID R. OBEY, WIS.
WILLIAM S. BROOMFIELD, MICH.
EDWARD J. DERWINSKI, ILL.
PAUL FINDLEY, ILL.
LARRY WINN, JR., KANS.
BENJAMIN A. GILMAN, N.Y.
ROBERT J. LAGOMARSINO, CALIF.
WILLIAM F. GOODLING, PA.
JOEL PRITCHARD, WASH.
MILLICENT FENWICK, N.J.
ROBERT K. DORNAN, CALIF.
JIM LEACH, IOWA
ARLEN ERDAHL, MINN.
TOBY ROTH, WIS.
OLYMPIA J. SNOWE, MAINE
JOHN LEBOUTILLIER, N.Y.
HENRY A. HYDE, ILL.
JOHN J. BRADY, JR.
CHIEF OF STAFF

Congress of the United States
Committee on Foreign Affairs
House of Representatives
Washington, D.C. 20515

September 17, 1981

Honorable Alexander M. Haig, Jr.
Secretary
Department of State
Washington, D.C. 20520

Dear Mr. Secretary:

In August 1981, Crown Prince Fahd of Saudi Arabia issued on behalf of his government a peace plan for settlement of the Arab-Israeli conflict.

We would like to know: the views of the United States on that plan, what we see as positive and new and what we see as unhelpful or negative in the plan; what discussions we have had with the Saudis about the plan; what issues were raised in the plan that we want to pursue with the Saudis or with other parties in the Middle East; and whether it is the judgment of the Department that this plan offers a basis for trying to bring the Saudis into a better dialogue on the peace process in the coming months.

In addition, we would like to know what you see as the implications of the statement of the Palestine Liberation Organization (PLO) that this Saudi plan "offered a good beginning for a lasting peace in the Middle East." Does this statement offer any hope that the PLO might, in its endorsement of the plan, be willing to accept Israel's right to exist within secure and recognized boundaries in the Middle East? Does the United States intend to seek a clarification through third parties or other means of the PLO's statement about the plan? And finally, if that endorsement of the Saudi plan is considered complete and unequivocal, how far would it go toward meeting the United States' understanding of the requirements of the 1975 agreement with Israel regarding the circumstances under which the United States might meet with PLO officials.

We appreciate your consideration of these questions.

With best regards,

Sincerely yours,

Paul Findley
Ranking Minority Member
Subcommittee on Europe
and the Middle East

Lee H. Hamilton
Chairman
Subcommittee on Europe
and the Middle East

LHH:PF:rp

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DEPARTMENT OF STATE

Washington, D.C. 20520

June 10, 1982

Dear Mr. Chairman:

I am responding to your letter of last September 17, directed to Secretary Haig and cosigned by Mr. Findley, requesting the Department's views regarding Crown Prince Fahd's eight principles for Middle East peace. I regret our delay in replying.

You will recall that we asked our staff to consult with yours as to whether Ambassador Veliotes' rather detailed comments on the eight principles at a hearing before your subcommittee last October 21 would serve as sufficient response to your letter. Ambassador Veliotes indicated at that time that the eight principles were not in our view an acceptable substitute framework for the Camp David Accords, though we recognized that there were positive elements in the principles, along with some we found unacceptable or impractical. In response to questions, he sought to convey the following specific views on the eight principles:

1. Our position, based on Resolution 242, is that withdrawal should be in the context of a negotiated peace and that 242 does not use the formulation of Point 1 of the principles of "all Arab territory--including Arab Jerusalem."

2. With regard to Point 2, the dismantling of Israeli settlements, this as well as other elements in the Principles, should be items for negotiation in the context of an ultimate peace agreement.

3. We are certainly in favor of Point 3, which guarantees freedom of worship for all religions in the Holy Places.

4. Point 4, affirmation of the right of the Palestinian people to return to their homes or be compensated, is essentially the language of a UN resolution which has been voted annually for over 30 years and which the U. S. supports.

The Honorable
Lee H. Hamilton
Chairman,
Subcommittee on Europe
and the Middle East,
House of Representatives.

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5. On Point 5, we certainly favor the concept of a transition period for the West Bank/Gaza, and the Camp David Accords provide for this, though not under UN auspices.

6. On Point 6, establishing an independent Palestinian state with Jerusalem as its capital, U. S. policy is that ultimate sovereignty over the area of the West Bank/Gaza has to be determined in negotiations, and that in the Camp David formula this would be determined after a five-year transition period that is designed in part for confidence-building. Ambassador Veliotes indicated that we do not favor an independent Palestinian state. He has asked me to clarify, however, that U. S. policy on this point is, as we stated publicly last Wednesday, that the "Camp David Framework neither requires nor precludes any specific final outcome of negotiations. This applies equally to the application of Israeli sovereignty over the West Bank and Gaza, the establishment of an independent Palestinian state, or any other possible result. What Camp David does require is that the outcome of negotiations on the final status be agreeable to all parties involved, including the Palestinian inhabitants of the West Bank and Gaza."

7. Point 7, that all states in the region should be able to live in peace, is a paraphrase of Resolution 242.

8. As to Point 8 on UN or member-state guarantees, if we can achieve a peace negotiated among the concerned parties, we would assume that at that point the parties themselves would welcome the support of as many other countries as possible in guaranteeing that peace.

Your staff's reaction, as communicated to us, was that the testimony summarized above did not constitute a full answer to the questions posed in your letter, and that a full written answer was still wanted. I believe, however, that the foregoing does answer those questions regarding our attitude on the eight points themselves. I shall therefore move on to address your remaining questions concerning our discussions with the Saudis about the plan, whether the plan raises issues that we want to pursue, whether the plan offers a basis for trying to bring the Saudis into a better dialogue on the peace process, and concerning our views on the P.L.O.'s response to the plan.

On a number of occasions last fall various Saudi officials pressed for a positive U. S. response to the proposal. Our response was limited essentially to the position stated in our guidance prepared for the Department's spokesman on October 30 of last year (copy attached).

The Department does not consider that the Eight Principles raise new issues, but clearly they are an attempt to confront the issues with which we and the concerned parties in the Middle East have long been struggling, both the specific issues that separate the parties and the procedural matter of the need to engage all concerned parties in negotiating a just and comprehensive settlement. The question, in our view, is whether the eight principles can constitute an approach that would offer a possibility of progress toward solving these issues. We have not yet seen any evidence that they can. Progress in engaging Palestinians in the autonomy talks pursuant to the Camp David agreements and progress in the talks themselves might conceivably open possibilities of convergence between the Saudi approach and the Camp David process that we and Egypt and Israel are committed to pursuing. On the other hand, broad Arab agreement on a plan involving an offer to negotiate a just and comprehensive peace with the State of Israel would constitute a significant new fact that would certainly bear study and consultation. These in any case remain simply speculative questions at present.

Your questions concerning the possible significance of the P.L.O. response to the plan, in view of the adjournment of the Fez summit and subsequent P.L.O. and Syrian comments on the eight principles, have in our judgment become moot.

The U.S. commitment not to recognize or negotiate with the P.L.O. so long as the P.L.O. does not recognize Israel's right to exist and does not accept Security Council Resolutions 242 and 338 has not altered. Nor has our view that this policy constitutes an offer as well as a condition.

I hope you find the foregoing helpful. Ambassador Veliotes has asked me particularly to indicate our desire to stay in close contact with you on these matters, and to reiterate our regret at the delay in this response. I am providing a copy of this letter to Mr. Findley.

With cordial regards,

Sincerely,

Powell A. Moore
Assistant Secretary
for Congressional Relations

STATEMENT BY DEPARTMENT SPOKESMAN ON CROWN PRINCE FAHD'S PEACE PROPOSAL

We have, of course, studied the eight principles for Middle East peace enunciated by Crown Prince Fahd. While we welcome certain elements in these principles which underscore Saudi Arabia's dedication to the achievement of peace and reaffirm support for UN Security Council Resolution 242 including the recognition of the right of all states to live in peace, there are other elements with which we have problems. Some elements of the principles appear to determine outcomes which can only be achieved through negotiations. We have commented on the individual points in detail in open session testimony before the House Foreign Affairs Committee. While we remain ready to continue our discussions with the Saudis and others, I want to emphasize that we remain committed to pursuing the peace negotiations through Security Council Resolutions 242 and 338 and the Camp David framework.

October 30, 1981

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